FBIS DAILY REPORT

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INTERIOR MINISTRY REPORTS ON NEW YEAR ARRESTS

PY050303 Buenos Aires LATIN in Spanish 0018 GMT 5 Jan 82

[Text] La Paz, 4 Jan (LATIN-REUTER) -- The interior Ministry reported today that 11 people, one of them a U.S. citizen, continue to be under arrest on charges of participating in a subversive meeting of the outlawed Movement of the Revolutionary Left (MIR). This is the first time that the ministry officially makes reference to the search that was carried out by security organs in the early hours of 1 January in the house of Mrs Lee Rea de Romero who works at a local office of the UN. That morning security agents arrested 34 persons but not the house owner who was not present. Mrs Rea Romero is a functionary of the UN office for refugees and the party at her house was organized by her sons. One of them, Roberto Rea Romero who is a U.S. citizen, is still under arrest.

Interior Ministry Under Secretary Gerardo Torrez said in the press conference held in his office that the party was a subversive meeting in which several MIR militants were to make contact with the directorate of that outlawed group. He also said that the house search was made with a court warrant signed by the prosecutor [as received] Carmen Molina. Torrez denied that violence was used during the search. The house owner, Lee Rea Romero, had reported that several valuable objects along with UN documents were carried away during the search. Torrez said that pamphlets and ammunition as well as propaganda material of leftist political organizations were seized. Torrez denied that the U.S. Embassy or the Catholic Church had complained or protested to authorities for the house search which he said was legally and peacefully conducted. He noted that all the Bolivian citizens arrested are MIR militants who surreptitiously entered the country from exile abroad.

Official Explains Raid

PY051754 La Paz Radio Illimani Network in Spanish 1100 GMT 5 Jan 82

[Text] The Interior Ministry reported yesterday that through an operation carried out early on the morning of 1 January, government security organizations prevented the outbreak of a subversive movement in which several elements of the extreme left who returned to the country in a clandestine manner were involved.

In a press conference held at the Interior Ministry, Under Secretary Gerardo Torres told the national press about the reasons which motivated the raid on the house located on 18th Street in Calacoto. He said that the government security organizations have carried out intensive investigations during the past month.

[Begin Torres recording] They detected these activities and that the meeting was aimed at organizing subversion. Thus, at 0200 on 1 January 1982, following the information gathered, a decision was made to raid the house you are all familiar with, located on 18th Street in Calacoto, near San Miguel.

For this operation we had the appropriate search warrant from the judge, which I have here at hand for anyone who wants to see it, which authorized the raid on the house already mentioned, as requested by the state intelligence director, with the objective of safeguarding the peace and the tranquillity of the people, and to confirm the political denunciations received in this regard. [end recording]

The raid was carried out without any violance to either persons or properties, the under secretary stated, and added that the warrant was signed by Dr (Carmen Pimemtel Molina). It was reported that the meeting was held under a new year's party coverup, although the main objective was to hold a meeting with the top board of the Movement of the Revolutionary Left [MIR], and with representatives of extremist peasants and Mr [Gonzalo Guzman), an extremist of the former Bolivian labor central. [passage indistinct]

During the search of the house, the agents found pamphlets and reports involving the People's Democratic Union [UDP], and some pictures of the camps which are probably used for training subversive elements, or perhaps they are guerrilla training camps.

[Begin Torres recording] Thus, you have seen the complete display of documents and you can make your own judgement. [end recording]

The Interior Ministry under secretary stated that nine of the persons detained during the raid are still under arrest while the appropriate investigations continue.

Nuncio Voices Concern

PY041402 La Paz Cadena Panamericana in Spanish 1130 GMT 4 Jan 82

[Excerpts] According to information published yesterday by several media sectors, Nuncio Alfio Rapisarda voiced his and the church's concern to the respective national authorities over the arrest of several persons during the new year celebrations at a private home. However, the pope's representative pointed out that he has not interfered directly in that issue and that he was only informed unofficially about it.

[Begin Rapisarda recording] I have only acted to voice the church's concern because I have been told that a raid was carried out and, according to rumors and other things that one hears, it seems to have been...I don't know...probably something unusual. I honestly don't know the details of all [words indistinct] [end recording]

The nuncio pointed out that since he has not had an opportunity to meet with the authorities he has not received an official report in this regard. Foreign Ministry Under Secretary, Walter Rico Toro was asked whether any note of protest has been received from the U.S. Embassy regarding the arrest of two U.S. citizens during the new year celebrations. His answer was that this question should be made to the interior minister. However, in his capacity as a member of the Foreign Ministry, Walter Rico Toro said that he had no official information in this regard. The holidays have prevented any administrative activities and we do not know whether any note of protest could have been submitted, he said.

RESHUFFLING OF LEADING ARMY OFFICERS REPORTED

PY050124 Paris AFP in Spanish 2215 GMT 4 Jan 82

[Text] La Paz, 4 Jan (AFP) -- Leading Bolivian military officers who had entered the military school before the 9 April 1952 revolution, including former presidents Gen Luis Garcia Meza Tejada (1980-1981) and Alberto Natusch Busch (1969) [as received], have been transferred to the reserves of the armed forces by the recent general order of assignments, military sources have told AFP. Furthermore, the afternoon newspaper ULTIMA HORA made it known that most of the eight division commanders of the Bolivian Army were also replaced.

One of the few division commanders who will retain his post is Col Luis Quiroz Antequera, commander of the 8th Army Division headquartered in Santa Cruz de la Sierra. The newspaper also reported that the commanders of the La Paz regiments of Colorados and Ingavi, who were considered to be loyal to Garcia Meza, were also replaced.

Meanwhile, the following officers will retain their respective posts: Col Faustino Rico Toro, commander of the military school; Col Miguel Padilla Candia, commander of the Tarapaca regiment; and Col Rodrigo Lea Plaza, head of the army general staff 3d department (operations). It has been noted that these three officers had participated in the 17 July 1980 military coup led by Garcia Meza to overthrow former president Lidia Gueiler Tejada. Some officers who are considered to be linked to the institutionalist sector of the armed forces (which supports an almost immediate democratization in the country) such as Generals Simon Sejas Tordova and Lucio Anez Rivero were appointed as inspector general of the armed forces and representative on the Inter-American Defense Board, respectively.

THREE MORE POLISH SEAMEN SEEK POLITICAL ASYLUM

PY311338 Paris AFP in Spanish 0226 GMT 31 Dec 81

[Excerpt] Rio Grande, Brazil, 30 Dec (AFP) -- Three crewmen of the Polish Ship (Ziemia Wilkopolska) today requested here political asylum from the Brazilian Government. (Andrzej Batko), the first officer: (Wieslaw Jarzebinski), the boatswain; and (Omarin Kazimiers), a sailor, formally sought asylum from the Brazilian federal police in this port located 300 kilometers from Porto Alegre, the capital of Rio Grande do Sul State. The three crewmen of the Polish ship -- which arrived in this port on 28 December to load soybean meal -- said they would like to go to the United States.

POLISH GOVERNMENT MAKES DEBT PAYMENT TO BANK

PY061004 Brasilia Domestic Service in Portuguese 2200 GMT 5 Jan 82

[Text] The Central Bank has reported that the Polish Government today deposited $19,600,000 in the account of the Brazilian Central Bank in New York [as heard] as part of the payment for its debt to Brazil, which amounts to about $1 billion.

PRESIDENT SIGNS SOCIAL ASSISTANCE DECREES

PY312346 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Dec 81 p 15

[Text] President Joao Figueiredo signed two decree-laws yesterday. One of them provides for the increase from 8 to 10 percent in the amount which employees and employers contribute to the social security and health care program; and the other authorizes the floating of a special series of National Treasury Readjustable Bonds (ORTN) up to a total amount of 180 billion cruzeiros. The president also signed a decree raising the manufactured goods tax (IPI) on 46 products.

In an address to the nation, President Figueiredo explained that he had to sign these measures because the government cannot live with the deficit in the social assistance program, "a deficit that is mounting dangerously to the point of threatening the nation's economic balance." The president said he rejected various suggestions for closing the deficit in the social assistance program such as increasing the contribution percentage for those receiving the benefits, reducing benefits for retirees, eliminating the family bonus and doing away with both childbearing and funeral assistances. According to the president, since congress voted down the bill proposing the limitation of benefits in special cases, he had no other alternative left but to increase the percentages of contribution to the social assistance program.

The decree-law providing for contributions to defray the cost of the social assistance program raises the contribution of enterprises in general to 10 percent; that of employees who earn as much as three times the monthly regional minimum salary to 8.5 percent; that of those who earn from three to five times the monthly regional minimum salary to 8.75 percent; that of those who earn from five to ten times the monthly regional minimum salary to 9 percent; that of those earning from 10 to 15 times the monthly regional minimum salary to 9.5 percent;and 10 percent for those earning more than 15 times the monthly regional minimum salary, or as much as the ceiling subject to tax payment for social assistance purposes. Those who were paying only 5 percent -- the appointed civil servants for instance -- will henceforth pay 20 percent.

The presidential decree-law also establishes contributions from retirees and pensioners as follows: 3 percent from retirees receiving benefits of up to three times the monthly regional minimum salary; 3.5 percent from those receiving benefits equivalent to three to five times the monthly regional minimum salary; and from pensioners 3 percent on the benefits they draw.

In his speech, President Figueiredo said that imposing a contribution on retirees and pensioners was a necessity because "without this they would continue to have the benefits while being exempted from any effective contribution."

The other decree-law signed by the president authorized the floating of a special ORTN series up to 180 billion cruzeiros with 5 percent interest as follows: 60 billion with 5-year maturity period; 60 billion with 6-year maturity; and 60 billion with 7-year maturity.

O GLOBO Deplores Measure

PY040136 Rio De Janeiro O GLOBO in Portuguese 30 Dec 81 p 1

[Editorial: "The Victory of Deficit"]

[Excerpts] The government finally decided to adopt the most simplistic, immediate and abrasive formula in its attempt to solve the fabulous deficit of the social assistance program through a mechanism of accounting. The administration of the social assistance program will not change its methods and neither is there the possibility that the flaws and faults of the system will be corrected. What is fundamentally wrong with it and what made it into a bottomless sack is the policy which has been followed for so many years of trying to offer services whose cost cannot be defrayed with available funds. The social assistance program is perfect on paper, but in practice it is a utopian effort to offer benefits which are largely illusory.

The raising of contributions neither corrects nor resolves the problems. They continue just the same; workers, employers and society in general paying for the incompetence or lack of vision of third parties and accepting benefits and services without any improvement in quality. This was the victory of deficit and the defeat of rationalism. This was the victory of a defective system and the defeat of those who are forced to underwrite its errors.

PDS LEADERS DISAGREE OVER NOVEMBER ELECTIONS

PY021740 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 2 Jan 82

[Text] Senator Nilo [illegible]elho, leader of the Social Democratic Party [PDS] in congress, has said in Salvador that the possibility exists for this year's election to be held in two stages; the first stage would consist of the proportional elections, that is, those for state and federal deputies and councilmen; and the second of these [words indistinct] that is, for governors, senators and mayors.

PDS President Senator Jose Sarney himself was surprised by the revival of the idea of holding the election in two stages. More than half of the PDS bloc in congress is also against the idea. After questioning the feasibility of the idea, the PDS president said; the election will be held at the established date, that is, on 15 November 1982.

Commenting on the above disagreements, Senator Itamar Franco, Brazilian Democratic Mobilization Party -- Minas Gerais State -- said; the PDS will drive the president completely crazy.

POST SAYS FIGUEIREDO HAS LOST CREDIBILITY

PY040120 Rio de Janeiro LATIN AMERICA DAILY POST in English 3-4 Jan 82 p 5

[By Herbert Zschech]

[Text] Rio de Janeiro -- President Figueiredo had the satisfaction in the last days of 1981 to be cited as the most outstanding person in Latin American politics for his political opening strategy. He confirmed his determination to go ahead with this opening, to make a genuine democracy of Brazil, in his Christmas address to military officers.

But newsmen and politicians in occasional -- and lately rather rare -- touch with the chief executive often describe him as tense and easily prone to irritation.

A prominent northeastern opposition leader, Sen Teotonio Vilela, who has played an important part in several political occurrences of the past, stated in a Christmas interview that in his view, Figueiredo has lost political credibility after the Riocentro bomb plot, the education [as published] of which has been prevented through inconclusive military inquiry. And he added that both the political regime and its present chief executive have grown old, politically speaking, losing popular appeal.

Figueiredo's often mentioned irritation originated mainly from the congressional defeat, when the opposition with the votes of dissidents in the government's own PDS [Social Democratic Party], and against the lukewarm support or even indifference of the other PDS members, frustrated the government's cherished project on alternative gubernatorial candidacies that would have given good chances to candidates supported by the regime. This happened during Figueriedo's absence from the government after his heart attack. Everything now goes to show that he considers it treason.

Now, the PDS is expected by Figueiredo to prove its allegiance and loyalty by guaranteeing the approval in congress of all the current projects of interest to the regime. The PDS leaders have done their best to satisfy Figueiredo, mobilizing the entire bench including PDS members who are travelling abroad or occupying executive government posts for the approval days ago of the creation of the new state of Rondonia -- not very controversial -- and principally for the voting on the government's electoral reform project, scheduled for Jan 5 in this current extraordinary session of congress.

But relations between the Planalto Palace and the government's PDS have not the same intimacy and friendliness as before. Conversations between the president and the PDS leaders have been rare, cool and formal, according to observers. And the acid test of the electoral reform project at the end of the year's first week is not without risks to the regime.

In the first place, the season is not propitious for a mobilization of all party members in the congress. Secondly, the highly controversial electoral reform project which would force parties to have candidates everywhere and on all legislative levels from state governors to town alderman, and also would force the voters to give their votes only to candidates all belonging to one and the same party, meets not only with strong resistance within the opposition but also PDS deputies are balking. At least one deputy, Dep Jorge Khouri from Sao Paulo, has openly and frankly announced that he will ignore the orders given by the party leaders, and will vote against the project. A few others, while not daring to revolt openly, may find personal excuses for not being present at the voting. And the governmental majority is utterly small, the outcome depending on perhaps less than 10 votes.

In view of this risk, the PDS leaders have expressly suggested to the president's civil office chief and policy maker, Leitao de Abreu, and also to Justice Minister Abi Ackel, to call off the voting and impose the government by decree, under the so-called Decurso de Prazo rule which enables the government to do this if congress has not been able to vote on it. This inability can be produced easily with the lack of quorum to be intentionally provoked.

Figueiredo, however, first was reported strongly opposed to this plan. He wants his electoral reform project approved by voting, as a demonstration of fidelity and loyalty by his party which disappointed him so terribly in the case of the gubernatorial project. He is even said to impose this on his party as a token of repentance and contrition, according to sarcastic commentaries. But it now seems that this PDS suggestion will prevail.

Meanwhile, doubts are mounting on the opportunity of the government's electoral reform project. It marks the end, among other things, of the political opening strategy so patiently and laboriously conducted by the previous political mentor of the president, Gen Golbery do Couto e Silva. His strategy included as one of the crucial points strengthening of Tancredo Neves' Partido Popular [PP] as an eventual alternative acceptable to the regime in the event of a defeat of the PDS in the elections, and also because the democratic opening would be biased without such an alternative. Now, Figueiredo's electoral reform project was, as a leading commentator put it, hurled against the radical opposition led by Ulisses Guimaraes and his PMDB [Brazilian Democratic Mobilization Party], but with such bad marksmanship, that it mortally hit the PP instead, which is the moderate centrist party. The unwittingly obtained result is now the unification of the PP with the PMDB and consequent strengthening of the opposition, despite all the obstacles erected by the new reform project.

The government doubtless will find a way to impede the planned "incorporation" of the PP into the PMDB. But how to do this without seriously discrediting in the eyes of the people the entire democratization plan? If the government has already a definite plan for it, it has not been revealed so far. Some opposition members inclined to pessimism and skepticism say they fear the worst, meaning a reversal in the political opening.

PRC BACKS COMPANY IN PARTICLE BOARD MANUFACTURE

PY311803 Rio de Janiero JORNAL DO BRASIL in Portuguese 8 Dec 81 p 16

[Text] Sao Paulo -- The Manasa company has associated itself with the PRC Government in a joint venture for manufacturing particle board in the Amazon region. This undertaking will demand a total investment of $50 million. This information was disclosed by BRASILINVEST [expansion unknwon] Chairman Marion Garnero who said that "the PRC Government is quite interested in lumber byproducts." This is the first joint venture undertaken by a private Brazilian enterprise and the PRC under the sponsorship of BRASILINVEST which has an office in Beijing and which has just been authorized to operate for another 12 months in Bejing. This authorization must be renewed each year by the PRC Government. This office is made up of 12 enterprises among which are: Persico Pizzamiglio, Manasa, THEMAG, EMTECO, Mangels, Companhus Vale do Rio Doce and Companhia Cacique de Cafe Soluvel.

The BRASILINVEST Office in Beijing is headed by Sino-Brazilian citizen Roberto Wong. Mario Carnero said: "In our office in Beijing we study the possibilities for marketing Brazilian product in the Chinese market. It is very difficult, for example, to export large volumes of nonperishable consumer goods in view of the marketing method used in the PRC which does not allow direct purchase. The Chinese citizen must obtain a coupon at the shop and his name is registered on a waiting list. This is the way people buy bicycles, for example," The PRC has an annual deficit of 1 million bicycles but the government does not authorize the import of bicycles to avoid a hike in the domestic inflation rate.

Garnero has recently held a meeting with the PRC industry and commerce minister who told him: "If you want to increase the sale of Brazilian products in my country you must also purchase Chinese manufactured goods." He noted: He must have said the same thing to the Brazilian Government. I believe that we could buy from China the same pharmaceutical products we now purchase from other countries. We could even decrease costs in this regard by buying these products directly. We could also increase our oil purchases from China. Today oil purchases range from 50,000 to 70,000 barrels per day; and there is also coal. But before anything else we should solve the freight cost problem. The BRASILINVEST chairman believes that PRC-Brazilian trade that today totals $400 million may total $1 billion by 1985.

NAVY SEIZES FOREIGN SHIP OFF PACIFIC COAST

PA051839 Bogota Radio Santa Fe in Spanish 1730 GMT 5 Jan 82

[Text] The Defense Ministry had not yet received any specific information by noon today on an incident in the Pacific a few hours ago in which a ship sailing under foreign flag was apparently seized by navy units. According to ministry spokesmen, confirmation of this incident by Pacific force commander Capt (Gerardo Polania) is awaited. (Polania) was in charge of the operation against the ship, which is apparently of U.S. origin.

Meanwhile, Navy Headquarters in Bogota announced that a confrontation with the cargo ship had reportedly taken place, but that no casualties had resulted.

MINISTER REPORTS ON 1981 SECURITY OPERATIONS

PA311927 Bogota Emisoras Caracol Network in Spanish 1215 GMT 31 Dec 81

[Text] According to a report from the Defense Ministry, a total of 278 guerrillas and close to 200 soldiers and policemen died in the struggle against subversion in Colombia in 1981. The document, signed by Defense Minister Luis Carlos Camacho Leyva, commended the armed forces for their activities this year, and also referred to the fight against drug trafficking.

The minister also said that 526 rebels were arrested during operations in various parts of the country. In addition, 425 rifles, 35 submachineguns, 2 mortars, 10 rocket launchers, 80 carbines and shotguns, 150 revolvers and pistols, 500 mortar rounds and handgrenades, 8,500 bullets of different calibers, and a large number of field, health, and communications equipment were confiscated. He recalled that a ship, presumably sailing under the Honduran flag, the "Karina," was sunk in the Pacific and that some aircraft were confiscated. All of these were involved in the transportation of arms for the Colombian guerrillas.

In paying homage to the soldiers who fell defending democratic institutions, General Camacho Leyva expressed his hope that their blood will nourish the soil of the fatherland and lay the foundation for peace.

MINISTRY ANNOUNCES TEN M-19 GUERRILLAS KILLED

PA042104 Bogota Radio Santa Fe in Spanish 1730 GMT 4 Jan 82

[Text] According to the Ministry of Defense, more than 10 members of the self-styled subversive 19 April Movement, M-19 were killed in recent hours in different military operations carried out in guerrilla-infested regions in the country. The authorities also reported that a large number of weapons and subversive material were confiscated from the M-19 members that were killed in various clashes with antiguerrilla troops in the combat zones. The operations were carried out in towns and on trails in Caqueta Department in the southern part of the country, where several M-19 cells have infiltrated.

Today at noon, the Defense Ministry reported that in different operations carried out in Caqueta Department, several members of the M-19 operating in this region were killed. According to the official reports, in the municipality of Belen de los Andaquies, members of the 12th Operation Command clashed with an M-19 squad, killing (Jose Felix) and (Alcides Barreto). A rifle, 8,000 bullets of various calibers and other subversive items were confiscated.

In Playa Rica municipality, Tres Esquinas, Caqueta, troops of the same command killed (Otoniel Pineda), (Abellanea Arias), (Mayor Juvenal) and (Araceli Ortiz Trujillo) alias (Lucy), confiscating two .38-caliber revolvers, a recorder, six clips for FAL-120 rifles, cartridges, and a homemade bomb.

In Boca de Cedro, Duranguaco municipality, the 12th Operational Command killed (Roberto Artunduaga Polania), alias (Major Jorge), and confiscated a FAL rifle, 385 cartridges, a rifle clip, four rifle clip carriers, one antipersonnel viewer, three cassettes and much food.

Finally, on the Amparo Aguas Negras trail, in La Cholita municipality, Caqueta Department, the 12th Operational Command, during a clash with an M-19 squad, killed subversives (Juan Jose Riveros) and (Jose Davila Bustos), confiscating 2 FAL rifles, 10 clips, and 200 cartridges of assorted calibers.

Another Clash Reported

PA042054 Bogota Radio Santa Fe in Spanish 1730 GMT 4 Jan 82

[Text] Mocoa -- Two guerrillas of the self-styled 19 April Movement, M-19, were killed in recent hours in Vereda Miraflores during a clash between the military and a group of rebels, military sources reported today at noon. One of the guerrillas was (Marco Sanchez); the other has not been identified yet. They were killed during a clash with military troops, who also confiscated weapons of various calibers, 25 cartridges and other subversive items usually carried by the guerrillas on these occasions. There are approximately 40 men in the group to which the two dead men belong.

GROUP BEGINS REPRISALS AGAINST KIDNAPPERS

PA311633 Paris AFP in Spanish 1434 GMT 31 Dec 81

[Text] Medellin, Colombia, 31 Dec (AFP) -- A total of 25 kidnappers have been "kidnapped" and will be "executed" by a group which is fighting this crime in Colombia, according to a clandestine bulletin released here. The so-called antikidnap movement [Movimiento Anti-Secuestro -- MAS; previously reported as Muerte a Secuestradores] which 3 weeks ago declared war on common or guerrilla kidnappers, announced that it is investigating each of the kidnappers it is holding.

In its bulletin sent to several information media in Medellin before dawn today, the MAS maintained that kidnappers found guilty will be hanged or executed in public. The MAS, which declared war on kidnappers, said that it is composed of approximately 2,230 individuals selected by the underworld, which is opposed to kidnappings in Colombia.

The MAS emerged in Colombia some 3 weeks ago after a meeting held by the 223 chiefs of the country's underworld decided to confront the kidnappers who, they said, cause problems to society and obstruct public peace. The group released a woman named Martha Correa de Bernal last night so she can be tried and punished by the Colombian military authorities for kidnapping a young student in Medellin. The woman was tied to a window at the building in which the conservative newspaper EL COLOMBIANO is published. A sign hanging around her neck stated: "I am a kidnapper." It explained that "we are incapable of murdering women, and much less of harming innocent children (the freed woman's children)."

The MAS explained that its sign is a cross, which means "death." It said that it has already turned one kidnapper over to the military authorities for punishment. Unless he is punished he will be executed in jail. It said that the movement does not want to "take justice in its own hands" and has proposed that the kidnappers be punished by the appropriate authorities, but added that otherwise it will begin executions.

The MAS warned the groups of common or subversive kidnappers that it holds several of their members and that if anything happens to the victims it will act without hesitation. The MAS has collected approximately $7 million to pay rewards to anyone supplying information on the whereabouts of kidnappers or hostages.

The police explained that they have no official knowledge of the group but conceded that on two occasions common criminals connected with gangs of kidnappers have been publicly turned over to them. Meanwhile, police statistics indicate that approximately 40 persons are being held hostage in Colombia. The last victim was Dr Jaime Perez Norsagaray, who fell into the hands of the communist guerrilla revolutionary armed forces of Colombia in Arauca Department, near the Venezuelan border, 5 days ago.

KIDNAPPED POLICE INSPECTOR KILLED BY FARC

PA051734 Madrid EFE in Spanish 0349 GMT 5 Jan 82

[Text] Bucaramanga, Colombia, 4 Jan (EFE) -- A "Revolutionary Armed Forces of Colombia" (FARC) guerrilla group killed the police inspector of the town of Nuevo Mundo, in the southern part of Santander Department, today.

Spokesmen for the Fifth Army Brigade in Bucaramanga indicated that the officer, identified as Mauro Quiroga, had been kidnapped this morning by several armed individuals. A large amount of propaganda from the pro-Soviet FARC was found next to Quiroga's body.

Elsewhere, it was reported that three men opened fire on a police station in Bogota and wounded a guard and a woman. The three men were arrested a few yards from the place and were turned over to the military authorities.

BRIEFS

PUBLIC WORKS INVESTMENTS -- Bogota -- This year the Public Works Ministry invested 96 million pesos in various sectors, according to information supplied by Minister Enrique Vargas Ramirez. The projects included highway maintenance, construction and reconditioning, airport improvements, railroad programs, service roads, port installations. [Bogota Radio Cadena Nacional in Spanish 1730 GMT 28 Dec 81 PA]

NEW DEPUTY DEVELOPMENT MINISTER -- (Gabriel Millan Lopez) has been appointed new deputy minister of economic development. He is a Conservative Party member who belongs to the Alvarista faction and has held several posts in the cities of Tolima and Ibague. Dr (Millan Lopez) has also held several posts related to the country's economic activity. He will be sworn in after the holidays. [Bogota Cadena Radial Super in Spanish 2330 GMT 29 Dec 81 PA]

INTERIOR MINISTER SCORES 'INDEPENDENT' PRESS

PY021647 Asuncion Teledifusora Paraguaya Television in Spanish 2300 GMT 31 Dec 81

[Undated yearend statement by Interior Minister Sabino Augusto Montanaro -- recorded]

[Text] As the interior minister, being responsible for discharging the difficult but honorable mission entrusted to me by the Colorado government of President Stroessner, I want to express with deep satisfaction that this year has been highly positive for the country's economic, political, social and cultural activities.

The constitutional rights and guarantees of individuals, political parties, the public and especially the mass communications media in general -- the written, oral and televised news media -- have been respected. Thus the media have been able to fully carry out their activities.

Congressional activities have also been highly positive as a result of the democratic action and conduct observed in both houses of Congress, the Chamber of Deputies and the Senate.

The public has been widely informed of congressional activities, of the life of political parties and even of the so-called political parties made up of opposition groups which have been permanently harassing the government and its officials through the press, especially through the sensationalist sector of the press which, under the pretext of disseminating information, has been distorting facts, encouraging subversion and attempting to discredit the government.

This sector has carried editorials claiming that Itaipu [hydroelectric project] is a deception, that injustices are not reported, that government officials do not heed the people's complaints, that the drought is highly damaging to the economy. Yet when it rains or when the temporary effects of the drought or rain are gone, one can conclude that the very sensationalism with which so-called independent newspapers treated the news to boost their sales is sound evidence of the existence of both full freedom of the press -- press, radio and television -- and freedom of opinion in the country.

Concerning opposition groups or political parties, whether they are sheltered or not under an accord -- although they are always in disagreement -- which is now led by "noisy persons," we may say that they do not bother the government, that they are not a cause for concern to the Colorado Party which, with its illustrious leader Gen Alfredo Stroessner, has promoted peace, happiness, well-being, progress and development which are here for the entire world to see.

No one can question the country's economic development. Anyone can see our good agricultural harvests. Yet there are journalists who continue to complain when prices go down and blame the government for it; and when prices go up they also blame the government. Thus it is very difficult to please those sellers of information.

We have a clear conscience, since the majority of the people, the Colorado Party listen to us and understand us because we speak of fatherland and peace and against subversion, terrorism, and those false apostles who from the newspapers or the radio attempt to dictate rules despite their main interest being just to make money by selling information.

GOVERNMENT ORDERS WEEKLY LA REPUBLICA CLOSED

PY311257 Asuncion HOY in Spanish 31 Dec 81 p 12

[Text] The government yesterday ordered the closure of the weekly LA REPUBLICA, whose seventh issue was being prepared for publication next week. The announcement was made last night to HOY by Mr Miguel Angel Caballero Figun, director of the newspaper, after a meeting he held with Interior Ministry Under Secretary Miguel Angel Bestard.

Caballero Figun said that two police officers visited him yesterday at noon at the LA REPUBLICA office to obtain the originals of the next issue of the newspaper. Later, the same officers told him that he would be received in the afternoon by Mr Bestard. At that meeting, which took place at 1700, Bestard told him that "by orders from above" the weekly was being closed. The weekly last week published a document released by the Popular Colorado Movement (MOPOCO) and this resulted in the government ordering it closed.

COLORADO PARTY CHAIRMAN ADDRESSES MEETING

PY311144 Asuncion PATRIA in Spanish 30 Dec 81 pp 1, 7

[Speech delivered by Colorado Party Chairman Juan Ramon Chavez from Colorado Party headquarters in Asuncion 20 December]

[Excerpts] Colorado Party members from all over the country: On the eve of a new year and from the Colorados' house I have the great satisfaction to deliver this message conveying the cordial greetings from your honorable government board to all fellow party members.

The most genuine political stability was maintained in 1981 under legal and constitutional principles, without any obstacles to the free life of democratic political parties. Our democracy works normally, the government fulfills its duties in compliance with the law, and press freedom prevails. We respect public opinion and for that purpose both official and private information is openly available.

The new electoral law approved in December 1981 is aimed at improving the conditions for organizing the government and at clarifying the activities of the democratic political parties, which are the representatives of the people. There are, however, some political groups without leaders, popular support or doctrine. All of them continue practicing the negative policy of hostility. The National Accord is not a political party; they can hardly be labeled resentful politicians. In a word, they are a group of misguided people. There are also the authentic Radical Liberal Party, the Christian Democratic Movement, the Febrerista Revolutionary Party and the MOPOCO [Colorado Popular Movement] whose mission is none other than to attack the government. Naturally, from the democratic standpoint, their members have no representativity. Their isolated actions are in no way aimed at rendering useful and sincere service to the nation. We are not enemies of the democratic political parties and we hope that everybody will walk along the path of political cooperation in order to serve the nation.

The Paraguayan foreign policy under President Alfredo Stroessner's government is based on dignity and firmness. President Army Gen Alfredo Stroessner has always had the patriotic and moral strength to solve old border disputes. President Stroessner has applied the appropriate strategy to Paraguayan foreign relations for Paraguay to be stronger than guns. We have practically no more border disputes with neighboring countries. The comprehensive solution of the diversion of the Pilcomayo River waters by Argentina is underway.

In the past few years, the national government has shown its immovable position in defense of the nonintervention principle. On more than one occasion we had to stand alone in the controversy, but in the end, as in the case of Nicaragua, our position turned out to be the right one. In 1981, two countries, France and Mexico, tried to implement an interventionist policy in El Salvador in support of a subversive Marxist group. Paraguay supported the position held by several American countries which rejected the French-Mexican initiative. With the exception of the Nicaraguan and the Panamanian vote, the French-Mexican thesis was rejected. Charles de Gaulle was the strongest supporter of nonintervention in Europe. He applied his doctrine to Algeria, to which he gave freedom. In Mexico, while in the presidency, the famous Indian from Guelatao, Benito Juarez, asserted the nonintervention principle after the tragedy of Maximilian of Austria with the following famous words: Among individuals as among nations, respect for others' rights means peace.

We cannot avoid mentioning a shameful action executed by the Soviet Union in August [as published] 1981 against the sovereignty and freedom of the Polish Republic. The communist regime prevailing in Poland has stepped up a war action against 35 million Poles, all of them anticommunists. This new aggression by the Soviets is a brutal intervention in the affairs of a free people which is heroically struggling against the Moscow oppressors.

The Colorado Party strongly condemns this shameless intervention. The course of the world's future has been set, and it is time for free peoples and men from all continents to decide to defeat international communism by hook or by crook.

Our foreign policy is in good hands, in the hands of a patriot, Army Gen Alfredo Stroessner.

I take advantage of this end of the year to call the attention of all Colorado Party members and of all Paraguayans to the burning problem of communism and its dangerous influence on the political life of countries in America and in other continents. The struggle between East and West accounts for an impressive entire epoch in the second half of this century.

Never in the history of mankind has such a complete disregard for human and social feelings been enforced as under the Soviet empire. For over half a century, communist Russia has committed so many crimes and has mercilessly violated human rights and has invaded free nations.

The North Atlantic Treaty Organization (NATO) has been created to put an end to such savagery. The role of NATO is to balance Western military forces' power with the world's most dangerous military forces which are in the hands of the Soviet Union.

We Colorado Party members struggle against communism because it abolishes human inalienable rights. On 11 August 1954, the Colorado Party established its anti-communist position through the support of the declaration of solidarity for the preservation of the political integrity of the American states.

International communism is still applying dangerous methods for attaining its goals. If they cannot take power with an armed coup they resort to coalitions with a country's local parties. Communists invented in Europe a pseudonationalistic communism 10 years ago; Eurocommunism, independent from Moscow but in the long run bound to follow the course of international communism.

The Colorado Party has never held alliances with any communist movement nor with the Socialist International, which verges on communism. False communists, such as the leftists, seek to convince the youths in order to attain the same goal leading to political and moral slavery. In Paraguay, we can do everything communism preaches for mitigating poverty. Poverty and intellectual slavery deepen in Russia more intensely than they did during the days of the czars.

In this disturbed world it is necessary to reiterate the emphasis on matters which are of the greatest importance and significance. The matter is terrorism. This violent phenomenon, which occurs all over the world, is closely related to the communist struggle to overthrown democratic governments. You should not forget, my dear fellow party members, that terrorism does not occur in communist countries. It appears and grows in Western countries as a means to open the way to the Marxist victory.

Painful results have been brought about by deaths in Europe, America, Asia and Africa. The assassination of Italian Prime Minister Aldo Moro in 1979 by the Red Brigades is an undeniable example of the goal of the Marxist revolutionaries; to raise distress and fear within a national environment with the purpose of weakening the action of the anticommunist government. Italy's Red Brigades' leader Renato Curcio has cynically said: The ultimate goal of terrorism is the final war in Europe and the victory of communism.

Universal history teaches us that permanent political violence turns into deep disharmony and endangers the nation's social structure. You can be sure, fellow party members and Paraguayans, that under President Stroessner's government, terrorism and violence will not prevail and that all of us Colorado Party members are ready to support peace for the sake of national progress.

I must refer to the country's economic situation, bearing in mind that the press and several economists hold wrong views in this area. Never before has President Stroessner's government delivered to its people cultural and material accomplishments of such extraordinary significance for the community's well-being as it is doing now, at the end of a fruitful year full of difficulties which however were overcome by actual achievements with good forecasts for 1982.

In order to know if a country is doing well from the economic viewpoint, the foundations of its structure should be taken into consideration. In the first place, there is no economic crisis in our country. There are changes in the determinant factors of an economy, such as price increases, but there has been no economic recession, that is, businessmen and industrialists have not gone into bankruptcy nor has there been a paralyzation of production or services, nor has the national income dropped. Despite a balance of trade deficit, our balance of payments has not gone unbalanced. The deficit is paid with the increase in capital investment.

The estimated economic growth from January to December 1981 is 11 percent. This rate reveals a significant increase despite the negative influence from the monetary devaluations in the countries with which we maintain an intense exchange. The GNP rate from January to December 1981 is 10 percent for the agricultural and livestock sector, 6.5 percent for the industrial sector, 10 percent for electric power supply and 16 percent for the building sector. These productivity rates show that there has been no economic crisis in 1981.

Our monetary reserves amounted to $761,214,000 on 30 November 1981. Our country has a substantial capacity for making hard currency payments. The monetary stability policy adopted by the government has been aimed at checking inflation. In 1980, the inflation rate was 22 percent; in 1981 it fell to 13 percent.

The participation of the entire population in the economic development is important for strengthening those foundations of our nation's life; freedom, democracy and fruitful work in peace and progress. Since the agricultural and livestock sector is the most significant one in our country, it is necessary that the peasant worker understand the result of land reform. For 20 years, President Stroessner has been carrying out the true revolution that we Paraguayans need. Agrarian revolution does not feed on blood, it develops in an environment of peace and work.

President Stroessner's agrarian policy consists of the division of nonproductive landholdings in order to increase the number of family farms, precluding in this way the exploitation of peasants. The Rural Welfare Institute, the permanent land reform agent, has delivered landholdings to peasants in order to support rural development. Ever since the approval of two agrarian laws, the Rural Welfare Institute has founded and organized, in 2 decades, 572 national colonies, with 111,000 demarcated lots covering a 6 million hectare area.

Workers benefited by the land reform have contributed to increase agricultural and livestock production. This sector accounts for the following production rates: 45 percent of cotton, 58 percent of soy, 52 percent of rice, 36 percent of corn, 50 percent of wheat and 47 percent of tobacco production. These rates reveal the significant economic result of land reform. President Stroessner, in his capacity as good ruler, follows the inspiration included in the parable of the sower, trying to achieve good results by pursuing a good course. Colorado Party members from all over the country: A new year is about to start. The star of Bethlehem is bright. It is time for happiness all over the world. Let us hold these celebrations with the joy we feel since we are sure that we have fulfilled our duty. Our Colorado government board greets you through my words and wishes you and your families success and happiness.

AFP REPORTS ATTACK ON LIMA WATER SUPPLY

PY061244 Paris AFP in Spanish 1232 GMT 6 Jan 82

[Text] Lima, 6 Jan (AFP) -- It was reported this morning that the drinking water supply to the Peruvian capital may have been partially poisoned in an act of sabotage within the framework of the terrorist plan which is being carried out in the country. Three men and a woman Tuesday night attacked the surveillance detachment which protects the main water plant which supplies Lima with drinking water.

PAPER WELCOMES LIMA'S 'SOLIDARITY' BRANCH

PY060049 Lima EL COMERCIO in Spanish 24 Dec 81 p A-2

[Editorial: "'Solidarity' in Peru"]

[Text] Peruvians from all political sectors have repudiated the brutal repression staged by the troops at the service of the communist regime against the Polish people. The entire world has rejected the violation of the most fundamental human rights carried out in the attempt to smash the struggle by Solidarity's workers, professionals and peasants.

The martial law enforced in Poland by General Jaruzelski is as oppressive as the one that could have been imposed by the Soviet Army. Freedom parodies once permitted by communism have disappeared. Any opposition activity involves the immediate application of martial law. Any Pole over 17 may be interned in concentration camps if his past behavior raises the suspicion of the possibility of a new violation of the "state of war." The exercise of the right to strike involves the immediate application of the death penalty, which any military officer, policeman, fireman or "militiaman" is empowered to execute without further delay. Several have already been executed. Fifty thousand persons have been detained in this country where terror and starvation prevail, but humiliation and the courage to resist at any rate have united the country. Poland suffers but it does not surrender. Meantime, the Soviet, the Czechoslovak and the German communist armies at the border await the moment when Jaruzelski's predictable failure will occur. That is Poland today; death, prisons, starvation, cold and despair.

The Peruvian people, distressed by the dramatic situation of 36 million people, have warmly welcomed the creation of a branch of Solidarity in Lima by the brave Polish athletes who have just completed the remarkable achievement of travelling along the Colco mountain stream by canoe. Those men, who are struggling for Polish freedom, will find full support in this land of freedom.

Peru is indebted to the Poles. Great Polish scientists, artists and professionals have given the best of themselves to this land. The central railway, the school of engineers and the government house itself are marked by Polish work and talent. That old debt and the inspiration that they are now giving to the world entitles them to the fraternal welcome that has been given to the Solidarity Committee local. The cause of that labor union is a worthy and noble as the courage of its members. They count on Peru's full affection and support. The march announced for Monday, 28 December, will undoubtedly be a significant testimony to this solidarity.

PETROPERU WORKERS CALL STRIKE; UNIONS MEET

PY050033 Paris AFP in Spanish 1823 GMT 1 Jan 82

[Text] Lima, 1 Jan 82 (AFP) -- It was reported here today that around 20,000 workers of the Peruvian State Petroleum Agency (PETROPERU) will call on 4 January their first strike in demand of salary increases this year.

The coercive measure, which was decided on by the PETROPERU workers of the northeastern region -- which includes Talara, Lobitos, Zorritos, Los Organos, Negritos and El Alto -- will initially last 48 hours, a period which was declared illegal by the Labor Ministry's regional department.

The appropriate union submitted a list of salary claims and working conditions to PETROPERU and, since the problem was not solved but referred to the Labor Ministry for consideration, the strike was called to speed up a solution to the issue.

Furthermore, the country's four union organizations; The General Confederation of Workers of Peru (OGTP), communist; the Confederation of Workers of Peru (CTP), of the American Revolutionary Popular Alliance; the National Confederation of Workers (CNT), Christian; and the Federation of Workers of the Peruvian Revolution (CTRP), socialist; yesterday signed a basic agreement to strengthen the unity of their rank and file.

The general secretaries of the union organizations held a 3-hour meeting, but no precise information was given on the details and objects of the so-called basic agreement. They only pointed out that all Peruvians will make the necessary effort to overcome the inflationary crisis the nation has been undergoing and which reached 72.2 percent in 1981.

Leaders Eduardo Castillo, CGTP; Julio Cruzado, CTP; Jorge Gallardo la Rosa, CNT; and Juan Bernaola, CTPR; have unanimously stated that since this will be a very difficult year for the workers, it will be necessary to strengthen their unity in order to face the rise in the cost of living.

48-Hour Strike Begins

PY052214 Buenos Aires LATIN in Spanish 1749 GMT 5 Jan 82

[Text] Lima, 5 Jan (LATIN-REUTER) -- A spokesman of the State Petroleum Agency (PETROPERU) said today that approximately 2,000 workers of the oil industry in northern Peru have begun a 48-hour strike demanding better salaries and other benefits. Oil production was not affected however. The spokesman indicated that the workers of a refinery and installations of the Talara port began the strike yesterday and are meeting tonight to decide whether to continue the strike indefintely.

The spokesman added that crude production in the area, approximately 20,000 barrels per day, was not affected by the strike and that the platforms across the coast are operating normally. He added that technicians and high-ranking personnel are keeping basic services of the refinery and other plants affected by the strike in operation.

Peru produces approximately 200,000 barrels of crude per day mainly in the eastern Selva region and exports approximately 60,000 barrels per day.

PEREZ DE CUELLAR COMMENTS ON UN DUTIES

PY051518 Lima EL COMERCIO in Spanish 24 Dec 81 p A-4

[Text] Javier Perez de Cuellar, newly elected UN secretary general, stated that international problems, regardless of how complex and arduous they are, "will never prevent me from following with profound interest the democratic development of my country toward the achievement of the full well-being of all and every Peruvian."

In his speech, delivered during a dinner given in his honor by Foreign Minister Javier Arias Stella last night, he stated that he was elected for a mission of peace which embraces the whole world. He stated: "Very soon I will handle the staff of the pilgrim to follow the paths of God with the word 'peace' on my lips."

On thanking Foreign Minister Arias Stella for the gathering which "honors and overwhelms my wife and me," he indicated: I am encouraged and motivated by being surrounded by eminent and representative persons at the moment of departure for functions which, although they force me to withdraw from my country, give me the possibility of promoting an image worthy of Peru.

In another passage of his speech he stated that the problems of the United Nations, the problems that are awaiting me, are numerous and complex. One way or another, we are all committed to this good we all aspire; peace.

He said that the UN's duty, and it will be my main duty, is to urge all rulers and all kinds of leaders to accelerate the creation of true conditions for man to achieve through work the level of dignity he deserves, respecting this right and seeing that it is respected, so that the old principle that indicates that one's rights end where the others' begin be also fully fulfilled.

He also indicated that progress must be based upon solidarity of interests, that the progress of some must not be achieved to the detriment of others. In this regard, I will try to persuade all governments that positive solutions will be found only through a dialogue which may combine justice with tolerance, moderation and patience, he said.

He admitted that the functions of the UN secretary general makes a variety of demands; renunciation of personal, national or regional interests; and a good amount of dynamism and courage.

In his emotional speech, the newly elected UN secretary general stated: "I want, therefore, to take out of this country of mine, through all of you who are surrounding me tonight, its extraordinary terrestrial force and its millenial history to give me the vigour and inspiration necessary to respond to the confidence placed in me by 156 members of the United Nations."

APPOINTMENTS RAISE PROBLEMS IN GOVERNMENT PARTY

PY041604 Tacna Radio Tacna in Spanish 1200 GMT 4 Jan 82

[Summary] The recent appointment of regional development corporation presidents has reportedly raised problems within the Popular Action [AP] Party, mainly because of the disagreement, voiced by some provincial parliamentarians, over the designation of the heads of their departments' development corporations. AP spokesman Elias Mendoza has admitted that there were disagreements in his party, but said that the party's unity had been assured at a meeting held by President Belaunde and provincial deputies.

For his part, Senate President Javier Alva Orlandini has said that "he is not aware of the fact that some AP parliamentarians have renounced their allegiance to the party or that a group dissenting with Prime Minister Manuel Ulloa's economic policy has been created."

Thirty-eight AP parliamentarians have reportedly submitted a note to President Belaunde Terry renouncing their allegiance to the party. The note was delivered to President Belaunde on 14 November. "The parliamentarians, who support Senate President Alva Orlandini, reported in their note their disagreement with Minister Ulloa's economic policy."

Later they voiced "their dissatisfaction over the exclusive appointment of AP members who support Ulloa as presidents of the regional development corporations."

Meanwhile, President Belaunde Terry asserted at a press conference that he had appointed not only AP adherents but also independent technicians as presidents of the corporations.

DETAILS OF POLITICAL PARTY DRAFT LAW REPORTED

PY050217 Montevideo Radio El Espectador Network in Spanish 1600 GMT 4 Jan 82

[Text] The text of the draft law on political parties submitted to the state council has been made known. The message delivered by the Executive Branch together with the draft *stresses that the law will permit the development of representative, democratic and* independent parties able to form an efficient and stable national government. The message also stresses that the civic-military process considers that one of the bases of the new institutionalization toward which the national community is heading, is the existence of political parties which practice internal democracy and support democratic principles. It adds that the draft is divided into two parts: permanent regulations, which include 12 sections, and the temporary and general regulations.

The general principles of the permanent regulations reassert the hierarchy of the laws which will rule the political parties: the constitution, the laws, the general regulations approved by the Electoral Court, the party's charter and the party's platform. The message sent by the Executive Branch, made known this morning at Government House, points out several aspects of the general principles. It states that political parties should have a democratic organization and that the common good of the community and the strengthening of the feeling of nationality, of public moral principles and of those fundamental values consecrated by the constitution, are the main goals of all political activities. All of this shows that parties should make national interests prevail over party interests.

Concerning the formation of parties, only those groups advocating or utilizing violence as a tool of political activity, or keeping direct or indirect connection with foreign organizations or states will be excluded from the nation's political life. Party advertising should avoid making use of the image of General Artigas or making any reference to him or to foreign nations, parties or political personages, or to persons whose rights have been politically suspended or who are wanted by the courts.

Concerning the temporary and general regulations, the message says that in order to resume party life and to attain the goals of this law, it is necessary to provide political parties with legitimate, and genuinely representative leaders. Therefore it is not possible to await the next national elections. It is necessary to summon the citizenry to hold internal party elections instead. According to Article 52 of the draft, these elections will be held on Sunday, 28 November 1982. The draft law is divided into 3 parts, 12 sections and 70 articles. It rules that the application for the creation of a political party, which will be submitted to the Electoral Court, must be endorsed by more than .5 percent of the party's membership with relation to the number of valid votes computed in the last national election. Applications submitted by organizations advocating violence, or seeking to destroy the bases of our nationality or connected with foreign organizations will in no way be admitted.

No registration will be made of party labels [lemas] which are either similar or equal to those already registered. Improper use of a party label will be punished by law. All parties will have to be democratically organized and will have to appoint an Executive Board made up of at least 15 members, a Deliberation Council of at least 150 members and a Disciplinary Board. Political parties will bear the responsibility of creating civic centers and having a category of members between 15 and 18 years of age.

As it was previously reported, the draft rules that candidates for national or party elective positions must be party members. This requirement is not mandatory for candidates for the presidency, vice presidency and mayoralties.

The draft also establishes that the state will contribute to paying the parties' electoral expenses, and will exempt them from paying taxes on all of their goods. Parties are not permitted to receive donations from either anonymous sources or from enterprises of national or foreign organizations.

The renewal of party authorities will be carried out simultaneously with national elections; in this case citizens are not compelled to vote. The draft ratifies the existence of the law on party labels but it abolishes the intraparty labels [sublemas]. It entitles parties to participate in national elections with up to three presidential lists and up to three lists for the Senate. At departmental level it allows each party to sponsor up to three candidates for mayor together with three lists per candidate for deputies and councilmen. This is a succinct account of the draft law submitted to the State Council. Now the Legislative Plenum must be summoned in the next few hours in order to study the proposed draft.

INDUSTRY CHAMBER SEES POOR PROSPECTS FOR 1982

PY301805 Montevideo Radio El Espectador Network in Spanish 1600 GMT 29 Dec 81

[Text] The Chamber of Industry declared today that industry has not grown during 1981. Engineer (Luis Bonomi), chairman of the chamber, pointed out that prospects for 1982 are even worse if the measures which have been constantly called for by the industrial sectors are not adopted urgently. He asserted that these measures cover the process of tariff reduction, the elimination of the currency exchange delay and the reduction of banking interest rates. He continued, saying that these facts conspire against the country's industrial and exporting interest in a speculative way.

The chamber's chairman was consulted on the subject and he referred to industrial growth in 1981. He pointed out that the industrial growth during the first half of 1981 was in the range of 5.5 percent, and that by the end of the first 9 months it had gone down to 1 percent. No official figures have been released yet on the last 3-month period, but he pointed out that it is certain that this report will show no industrial growth at all, or probably a negative percentage. On referring to prospects for 1982, Engineer (Bonomi) told El Espectador: [Begin (Bonomi) recording] Prospects for 1982 according to the reports sent to the industry chamber by several industrial sectors are not very promising. Industry is like a mosaic, for the different sectors are not all in the same situation; some industries are profiting and are expanding but others which are badly affected by import competition, which cannot continue exporting or which are exporting at a loss to keep up their markets do not have a very promising future ahead of them. Some specific sectors are undergoing a very difficult situation which will probably prevail in the following 6 months. [end recording]

CONTINGENT OF TROOPS TO BE SENT TO SINAI IN MARCH

PY041626 Buenos Aires TELAM in Spanish 1355 GMT 4 Jan 82

[Text] Montevideo, 4 Jan (TELAM) -- Uruguay will compose its military contingent in the Sinai with 80 troops, according to a report by the morning paper EL DIA today, citing official sources. The newspaper said that the Uruguayan troops would leave for the Middle East at the end of March, since Israel will leave the Sinai in April, which will then be occupied by a multinational peace force which will also include the United States, Colombia, Fiji and Sweden.

PRESIDENT MEETS WITH VISITING U.S. CONGRESSMEN

PA060214 Paris AFP in Spanish 2235 GMT 5 Jan 82

[Text] Caracas, 5 Jan (AFP) -- Venezuelan President Luis Herrera Campins said today that the greatest desire of the Latin American democrats as far as Central America is concerned is that the United States not support dictatorships as it has in previous decades. Herrera Campins met in the Government Palace with seven U.S. congressmen who have come to exchange opinions with Venezeulan politicians and military officers on Latin America and the Caribbean as part of a tour that will take them to Brazil, Argentina, Chile, Peru and Mexico in the next 2 weeks.

The congressmen are Democratic Representatives Charles Price [as received; should be Melvin Price] (Illinois), Richard White (Texas), Robert Mollohan (West Virginia), and Republicans William Dickinson (Alabama), Robert Daniel (Virginia), Robert Badham (California) and Eldon Rudd (Arizona).

During his remarks on Central America, Herrera Campins told the congressmen that "there are very difficult situations" although "in Honduras an election was held which the armed forces have promised to respect and are respecting."

"We think that in El Salvador," he said, continuing with his analysis, "a great effort must be made to encourage an institutional and democratic solution that ... will remove the danger of a Marxist dictatorship or a traditional rightwing dictatorship."

Regarding Nicaragua, the Christian Democratic president reiterated his position that "while there are possibilities for a pluralistic society in that country, it should not be isolated ... Rather, all those factors that could make that pluralism possible should be encouraged."

Regarding the Panama Canal, Herrera Campins said that there "are some situations that he hopes can be corrected." Questioned about them by Representative Dickinson, he promised he would give them a copy of the proposals that Ecuadorean President Oswaldo Hurtado made at a recent meeting in Panama.

Regarding the new small English-speaking countries of the Caribbean, Herrera Campins said that there is a certain tendency to not take them too much into consideration, but he warned that although "as friendly countries they might not contribute too much, as enemies they could be really troublesome." He added that "the economic development of these countries with very serious social problems, particularly unemployment, cannot be achieved, as some sectors of the U.S. government think, simply through trade or the presence of private investors."

"I believe that in those new countries of the Caribbean there must be public investments to improve conditions," he added.

Democrat White asked why Venezuela wanted to purchase two dozen sophisticated F-16 fighter planes from the United States.

Herrera Campins said that an active democracy such as Venezuela, with large petroleum and iron resources and in constant development, needs "adequate means of defense that will not become obsolete in a short time and that will enable us to reach the 21st century without great worries." It is taken for granted that the visiting congressmen discussed the F-16s when they met with the Venezuelan military high command yesterday afternoon.

The Ronald Reagan administration has asked the U.S. Congress to approve the F-16 sale to Venezuela in order to offset the Cuban military power in the Caribbean. Representative Dickinson said here that the Republicans will vote in favor of that motion in Congress.

PRESIDENT HERRERA CAMPINS' YEAREND MESSAGE

PA012236 Caracas Domestic Service in Spanish 1616 GMT 31 Dec 81

[Yearend message by Venezuelan President Luis Herrera Campins -- live or recorded]

[Excerpts] [Broadcast in progress] ...aggression and threats in many parts of the world. Peace has been threatened and nearly sacrificed, while forces capable of triggering conflicts, which a distressed modern mankind would always regret, have been unleashed. Poland has become the heart of this anxiety. Its people, represented by its workers [words indistinct], solidarity, the path to freedom, the disappearance of which can never be accepted in spirit because it represents at the same time water and fire, earth and air to it.

The stark sociopolitical situation indicates and reiterates that freedom and totalitarianism are incompatible; that the people's organization and the monopolistic takeover of social activities by the state are at odds with each other; that the commitment to democracy and collectivist authoritarianism are contradictory and impossible to reconcile in everyday life; that the voice of alarm is spreading among men like a shockwave, preventing people from being further confused, preventing the manipulation of news to sow confusion and preventing false images of prosperity and freedom from seducing or attracting anyone committed to the great struggles that build up history.

After 3 long weeks, the profound Polish crisis remains unresolved and the embassies and diplomatic missions are still out of contact with the rest of the world through ordinary channels. A simultaneous statement was issued yesterday at noon by the foreign ministries of the Andean countries, which are worried about Poland's situation and its future as well as the future of the battered world peace.

The international respect deserved by Venezuela is based on an unquestionable internal democratic reality. We project principles which we apply and values which we believe are good. This respect is equally shown in Nicaragua or El Salvador; in Cancun or within the Group of 77; in the United States and the PRC. It was confirmed when Venezuela was chosen to speak for Latin America at the inaugural session of the forum promoted by the Latin American economic system in Panama to review Latin America's position in regard to the U.S. economic policy and when we were given the responsibility of managing the Interamerican Institute of Agricultural Cooperation and heading the secretariat of the Latin American Energy Organization, or when Venezuela decided not to extend, either de jure or de facto, the Protocol of Port-of-Spain.

Cordial respect was shown to us when we spoke to OPEC with the sincere voice of a nation which pursues a serious oil policy, and when we took the initiative and invited Mexico to join us in establishing the program on energy cooperation for Central America and the Caribbean -- which invitation Mexico gladly accepted. We have agreed to extend this program another year in view of its excellent results. It has been implemented without military or political conditions and without hegemonic aims.

We regard cooperation as an active way of embracing peace. Regarding international policy, we view colonial domination, bloc hegemony, the creation of satellites and dependence as harmful, and we condemn them. We pursue a broad democratic policy based on the enforcement of human rights, social justice, democracy and harmonious development. We uphold continental unity and integration as envisioned by our father, liberator Simon Bolivar, as well as peace.

We took our 11th population and housing census during the last quarter. It began on 20 October and the citizens took active part in it. Preliminary figures reflect a population of 14,602,480 inhabitants, representing an increase of 36 percent over the last census.

The Voice of Venezuela will soon go on the air. This station will have a power of 1,000 kw and will broadcast programs in several languages, which will permit it to cover an extensive area north and south of Venezuela.

Venezuela television has continued carrying out its programs and reaching the entire country, especially the border area. It will cover northern Falcon state and the Netherlands Antilles next year with its relay station in (Luria). Channel 8 will be viewed live via satellite in San Fernando de Apure, Puerto Ayacucho, Santa Elena de Uairen and Caicara del Orinoco.

We are bent on achieving orderly economic growth without increasing inflationary pressures and without maintaining paternalistic semblances of wealth. We want to straighten out our economy so it may grow strongly and (?genuinely). Therefore, we have been gradually depriving this disobedient child of the nursing bottles [words indistinct] subsidies so it may come face to face with the [word indistinct] elements and factors and make the initiatives resulting from creative imagination bear fruit through research.

One of our priorities in 1981 was a reduction in the inflation rate. This was a key objective of all government efforts, even to the point of risking that economic activities would not reach our initial goals. We achieved extraordinary success in regard to prices. The month-to-month increase has been lower than that for the same period in 1980, which highlights the truth that inflation may abate in Venezuela and that it is not necessarily growing overall.

The reduction in the inflation rate is the best contribution one can make to the Venezuelan people. Inflation hurts businessmen, workers and the middle class alike. It results in anarchy in prices, disarray in the market, increasing uncertainty and a deterioration of social order.

The Central Bank's figures are conclusive. Not even the administration's most bitter critics, who have rejected those figures for various, groundless motives, have dared be so reckless as to assert that inflation rates increased during 1981. I repeat that I prefer to have a Central Bank that criticizes rather than one that submits to the government's interests. If there is one thing I have praised, it is the fact that the weekly economic indexes have been available to analysts and other interested people for consultation without any discrimination whatsoever under the new management of the Venezuelan Central Bank. Therefore, no data are being held secret for the purpose of distorting or misrepresenting figures.

A few minutes ago I signed the decree that creates the National Council of Costs, Prices and Salaries, in which the public and private sector, the workers and businessmen will be represented. This aspiration had been repeatedly voiced by the Confederation of Venezuelan Workers. The traditional private businessmen must improve the private investment rates. In other words, they must bolster the private investment rate through (?resources) [words indistinct] which are partially in the hands of national financial institutions and partially in the hands of (?nonfinanced) [word indistinct] enterprises which have benefitted from the state's generous policy of recycling oil revenues.

I regret that many resources, for no significant reason [words indistinct] international financial institutions due to the high interest rates abroad and most particularly in the United States, and thanks to Venezuela's broad and unrestricted free exchange system. With support from the government, the Venezuelan Central Bank decided to allow interest rates to float, with positive results. Our balance of payments again reflected a surplus at the end of 1981 of over $2.5 billion in the current account and an increase of $3 billion in international reserves.

The overall cost of living index grew only 11 percent, that is, half the increase in 1981 [as heard]. The economy reflects a [word indistinct] growth. However, it is appropriate to recall that the anti-inflation policy and the concurrence of external factors limited the expansion of the production structure. Venezuela can attain an economy at the service of man, with balanced growth in all sectors and throughout the nation.

We promoted development, which is even, harmonious and interrelated progress. This is the reason for our efforts to speed up education and cultural activities and to expand economic activities, public services and the physical infrastructure.

The state banking system will enter the mortgage business in 1982 to help activate the construction industry, to which the government has recently paid over 27 billion bolivares to bring its debt payments up to date. The acceleration of housing programs for the middle class and the poor provides great opportunities to such an important industry which utilizes so much labor.

The nationalization process has grown deeper and its dynamic function in our economy and our society has continued to expand under our oil policy. The [words indistinct], the growing integration of this industry into the country's economic structure, the [words indistinct] process of regional development and the utmost improvement and rationalization of its operations to utilize the existing infrastructure, to systematically reduce dependence on foreign technology and to strengthen our research and development capabilities.

I have confidence in the human teams who are managing our nationalized industry and who are taking pains to adopt decisions now whose benefits we will be able to appreciate a few years just as world experience with oil has shown. The oil industry is resolutely engaged in expansion and in an aggressive exploration plan. It has scored substantial success north of Pavia, in the Lake Maracaibo basin and in the Orinoco oil belt. It seeks to incorporate the national component into the new projects to promote the development of Venezuela's capital goods industry and to strengthen the national engineering sector. Moreover, it is further becoming integrated daily into the geographical and human area in which it is active, becoming a promoter of overall development. We must accept the importance of our oil. Our economy [words indistinct] of its diversification rather than try to replace it, we must take advantage of it, making it stronger. We must consolidate it. Venezuelan Petroleum, Inc has just approved an investment budget of 11.644 billion bolivares and an operations budget of 15.568 billion bolivares.

The International Congress on Heavy Oil will meet in Caracas in February promoted by [name indistinct] and PEDEVESA [Petroleos de Venezuela, S.A.]. This meeting will be attended by more than 600 delegates. I must note the initiative to create an oil multinational. This initiative began with the joint declaration of Brazil, Mexico and Venezuela in October. The [word indistinct] of the proposal made during my visit to the Arab members of OPEC for the creation of an institute for the formation of scientists and technicians for the Third World was drafted together with Ecuador, and a final document on this institute was turned over to the OPEC General Secretariat.

The change in the refining pattern at the (El Palito) refinery has been virtually concluded. A similar process should be completed at the (Amuay) refinery by the last quarter of 1982. These changes, among other benefits, will result in an increase of $0.68 per barrel in the value of exports.

The process to renew military equipment was carried out and the concern for the development of the border area which will only be possible. [as heard] This will be a common action which will involve varied and convergent work.

During this year, the Venezuelan investment fund made disbursements amounting to 13.741 billion bolivares. Most of these were devoted to projects made by enterprises in which the (FIL) [expansion unknown] has stock. The production volume of these enterprises reached 10.5 billion bolivares thus representing a 17-percent increase over the previous year.

We carried out a harsh and austere policy in order to lay the groundwork for a healthy economy. We used a definite orientation from the start. The education [word indistinct] cultural incentives were intensified in 1981 which has been a positive year for arts, literature, science and research. We have continued to support the [word indistinct] of work as an activity inherent to the dignity of men.

I am making an austere and honest government, a government that is sensitive and unostentatious. This is a government which does not condone corruption and scoundrels and which is not tolerantly cooperative with the glibness of crooks. We are preparing to celebrate the 200th anniversary of Bolivar's birth with profound actions of tangible importance. It will neither be a boisterous frolic nor an occasion for senseless and light rhetoric. In honoring and praising Bolivar, we are honor and praise the purest banners of our history like liberty, which is the supreme value, equality, honesty, devotion, courage, justice and unity, the path for peace in the world.

Happy new year to all; to generous friends, the attentive independents, the adversaries who are experts in criticism and to the new adversaries who, freed from the old [word indistinct] are involved in polemics. Happy new year to all; to those who suffer, those who love and those who have not given up their (?dreams). Venezuelans can and must await and receive the new year with hope and optimism in the face of the unlimited creative possibilities that Venezuela offers to our patriotism and will. [applause]

LEFT SUBMITS PROGRAM FOR 1983 ELECTIONS

PA011950 Paris AFP in Spanish 1326 GMT 1 Jan 82

[By Jorge Calmet Wagner]

[Text] Caracas, 1 Jan (AFP) -- The Venezuelan left, which will participate in the presidential elections for the first time in 1983, has submitted a government program which provides for the nationalization of the powerful banking and financial institutions and the insurance companies. The program has made the businessmen frown. The 23-point leftist government program also provides for the creation of a single health plan in a wealthy country which is afflicted by deficient health and other public services and touches on a subject which is taboo here, by proposing that the armed forces be incorporated "into the task of transforming the country."

The proposal was submitted to the 10 groups which compose the pre-electoral Coordinating Body of the Left, which includes the Movement for Socialism [MAS], the Peoples Electoral Movement [MEP], the Communist Party of Venezuela [PCV], both factions of the Movement of the Revolutionary Left [MIR], the People Advance and two sectors of the Revolutionary Action Groups.

Four candidates emerged from these groups; MAS President Teodoro Petkoff; Jose Vicente Rangel, MAS presidential candidate in the last elections and now chief of a group called New Alternative Movement; Moises Moleiro, who heads one of the MIR sectors; and Salom Meza, head of the MEP. Nevertheless, the struggle is polarized between Petkoff and Rangel and there is a possibility that its consequences could cause more division of the leftist groups.

The leftists emphasized in the introduction to their government program that Venezuela imports more than 50 percent of what it consumes, not only in capital goods but in manufactured goods and raw materials for industrial development. On foreign capital, they emphasized that it is diversified in the economic branches of industry, commerce, agriculture, banks, financial institutions and services.

They stressed that the country's dependence on oil "is overwhelming." More than 90 percent of the patents, trademarks and licences on record are foreign, they said. In describing a "consumer society which is wasteful, lazy and alienated" they said that Venezuela is suffering from a process of inflation with recessions similar to that of the United States.

In referring to speculation, one of the country's most serious problems, they emphasized the "capitalist" desire to obtain profits higher than 50 percent with "the unjust distribution of income where 50 percent of the income goes to 5 percent [of the people]."

They also pointed out that unemployment and underemployment are each 450,000, which is equivalent to 21.42 percent of the labor force; that 2 million children are undernourished and 1 million homeless; that the housing shortage stands at 1 million units; and that 1.2 million persons are illiterate.

The 23 points of the leftist government program included nationalizations and agrarian, administrative housing and education reform. On Venezuela's principal products, oil and iron, the leftists proposed taking a step from formal nationalization to real nationalization, without compromising the future of the rich Orinoco oil belt.

One of the points which stood out in the government program was military policy, which is a cause for apprehension to different sectors here. On foreign policy, anticipated to be markedly anticolonialist, antiracist and opposed to the arms race, they will seek peaceful solutions to the border controversies with Colombia and Guyana, countries with which Venezuela has outstanding disputes.

They also supported the consolidation of OPEC and defended self-determination, human rights and pluralism. The Venezuelan leftists placed special emphasis on respect for citizens' rights in their government program, which was announced at the end of a convulsive year marked by the Polish crisis. They claimed to be in touch with the democratic convictions of their country and looked forward to becoming an alternative in power. Analysts recall that MAS was the third-ranking political force in the last Venezuelan elections.

FOREIGN MINISTER ZAMBRANO TO VISIT EL SALVADOR

PA050226 Madrid EFE in Spanish 2149 GMT 4 Jan 82

[Text] Caracas, 4 Jan (EFE) -- The Foreign Ministry reported here today that Venezuelan Foreign Minister Jose Alberto Zambrano Velasco will visit El Salvador on 6 and 7 January to discuss a possible solution to that country's situation. A Foreign Ministry communique says that the foreign minister's visit will serve to reaffirm to the Salvadoran Government and people that the Venezuelan Government is committed to support the democratic process as well as a political, peaceful and sovereign solution through elections of the problems affecting El Salvador.

Zambrano Velasco accepted an invitation from Salvadoran Foreign Minister Fidel Chavez Mena. The invitation was extended when they met in El Salvador. Zambrano will probably also meet with Jose Napoleon Duarte, president of the Salvadoran Government junta.

PETROVEN ANNOUNCES DECREASES IN SOME OIL PRICES

PA030315 Paris AFP in Spanish 1810 GMT 2 Jan 82

[Text] Caracas, 2 Jan (AFP) -- On Saturday Venezuelan Petroleum, Inc [PETROVEN] announced an adjustment in the prices of heavy and extra heavy crudes that are sold abroad effective 1 January 1982. The new prices represent reductions which average $0.58 per barrel.

In the case of heavy crude, the adjustment represents a reduction of $0.70 and $0.34 per barrel for extra heavy crude. It is estimated in specialized circles that the additional income expected in 1982, to be collected early this year, will compensate for the limited fiscal effect that this measure might have. This measure was taken in view of the present situation in the world oil market and in accordance with recent OPEC decisions.

PRESIDENT ON DOMESTIC ISSUES, AREA INSTABILITY

Denies Crisis in PRI

FL052121 Mexico City NOTIMEX in Spanish 1755 GMT 5 Jan 82

[Text] Mexico City, 5 Jan (NOTIMEX) -- While denying the existence of a crisis in the PRI, President Jose Lopez Portillo asserted that there is no violence in the electoral processes and there is instead a greater participation, even though he acknowledged that there is some absenteeism. Lopez Portillo categorically denied that the nomination of Miguel de la Madrid Hurtado as candidate to the presidency has provoked a division in the PRI, inasmuch as, he said, the party has a capable and efficient mechanism which has contributed political stability to the country.

The chief of state asserted that he will vote for De la Madrid Hurtado because he has known him since he was "an excellent student, a capable official," and because his ideology concurs with that of the PRI, adding to this an extraordinary knowledge of the country's problems. Miguel de la Madrid's age, he added, will contribute to bringing new blood to the system and will make possible the urgent modernization of the country, to meet the year 2000.

Commenting on denunciations about political violence in some places, the president said these are isolated cases in some 10 municipal elections, which when compared to the 2,500 electoral processes of that type, the balance is favorable. He asserted that there is a greater participation in the electoral processes and that it will show in the next elections of the Executive and Legislative Branches, giving greater validity to the political reform. When asked about the priorities of the next administration, President Lopez Portillo said they will be the same policies he had adopted at the beginning of his mandate, and that they will continue to be the same for a long time to come. He mentioned foodstuffs, energy, struggle against inflation, creation of jobs and production for export.

No Devaluation Foreseen

FL052257 Mexico City NOTIMEX in Spanish 1901 GMT 5 Jan 82

[Text] Mexico City, 5 Jan (NOTIMEX) -- There will not be an abrupt devaluation of the peso because it would be harmful for the national economy but it will continue to float subject to the law of supply and demand of the money market. The country's head of state, Jose Lopez Portillo, asserted today when he indicated that the peso is governed by economic regulation and that it will continue to slide following a realistic policy not a fictional one which, sooner or later, would do great harm to the country. He acknowledged that, due to the conditions of the market, the balance of payments, the financial exchange, among others, the Mexican currency advances together with the dollar, drops or recovers in accordance with the North American currency, and what lies ahead cannot be predicted.

On another subject, the president commented that the growth of imports due to the lack of national capability to supply the demand and the high interest rates of money in the international market was the reason why the inflationary rate did not diminish last year to the level we would have wanted, even though it was lower than in 1980. The president appealed to the Mexicans to maintain solidarity with the country and not to spend abroad for goods produced here, since each unnecessary article that is imported affects the possibilities of employment of our compatriots.

Fortunately, he said, the high interest rates are declining and it can be expected that the oil market will recover according to reports, but he acknowledged that it will not happen during this 6-month period. Elsewhere in the press conference, the head of state stated that a liberalization of the prices would be inconvenient because it would lead to immobilization, and that it would not be appropriate to establish a variable wage scale which in fact already exists, because there is an annual wage revision.

Measures such as those previously mentioned would not check the inflationary process and would take away from government the opportunity to reduce pressures with such mechanisms as guided prices or subsidized prices.

Explains Gas Price Increase

FL051856 Mexico City NOTIMEX in Spanish 1733 GMT 5 Jan 82

[By Enrique Alvarez Manilla]

[Text] Mexico City, 5 Jan (NOTIMEX) -- President Jose Lopez Portillo has said that the hike in the price of gasoline was not a result of inefficiency or corruption at Mexican Petroleum (PEMEX) but an attempt to curb waste and avoid gasoline rationing because of inadequate refining capacity. He denied that PEMEX was not under control in its expenditures and foreign indebtedness since various groups belonging to the public sector and the legislative branch were involved in PEMEX's administration. The president discussed the topic during the press conference he gave at the end of a breakfast this morning with media representatives in charge of covering presidential activities.

The president categorically denied that the petroleum boom had caused economic and inflationary problems and asked: What would have become of Mexico without this resource? In fact, PEMEX's inordinate growth was designed to take advantage of a historical opportunity which ultimately made it possible for the country to emerge from the financial "hole" it had been in since the end of the last administration, he said. Lopez Portillo added that measures have been taken so that PEMEX can refine heavy crude and sell the light crude abroad because when the demand for petroleum on the international market goes down, a demand for increased quality results, and Mexico has the capacity to provide it.

He disclosed that prior to the gasoline price increase, consumption was distorted and excessive with rates of increase from 5 to 17 percent. This, he said, was simply irresponsible. If the trend continues, fuel would have to be rationed and we would have to go to the absurd extreme of having to import gasoline because of our inability to refine it locally to meet the demands of a population that is wasting its resources, President Lopez Portillo stressed. Concerning the gasoline consumed by the public sector, the president announced an austerity program to severely limit waste and set an example.

Area Violence Will Not Affect Country

FL051953 Mexico City NOTIMEX in Spanish 1739 GMT 5 Jan 82

[Text] Mexico City, 5 Jan (NOTIMEX) -- The present violence in Central America will not reach Mexico. The country already had its own revolution, found its cause and found the institutional mechanisms to resolve the contradictions within its midst. Commenting on the Central American situation, President Jose Lopez Portillo said that Mexico's efforts to strengthen its national security was dictated by internal conditions and not the result of any kind of foreign factors.

He said that national security was a consideration for any institutional government to protect its sovereign integrity, its interests and resources. He repeated that Mexico will not have the kind of violence now prevalent in Central America. When asked if there were any foreign pressures on Mexico, such as the cancellation of Mexican migrant worker permits in the United States and the tuna or uranium embargoes, the president rejected the notion. He explained that when he referred to foreign pressures on Mexico, he was talking about economic-type pressures and false and distorted information, which he called "informative terrorism." He added that the measures adopted by the United States cannot be put in that category because they are open matters and are the result of a disparity of interests between two nations. Fortunately, this is being addressed, procedures to resolve them exist and both nations have people working on it.

Finally, he condemned the kind of rumor directed at destabilizing national development, propagating ideas of violence, of economic crisis and of devaluation of currency, among others.

EXPORT PRICE OF HEAVY CRUDE OIL LOWERED BY $2

FL051144 Mexico City NOTIMEX in Spanish 0305 GMT 5 Jan 82

[Text] Mexico City, 4 Jan (NOTIMEX) -- The export price of heavy crude oil of the "Maya" type will be reduced to $26.50 per barrel retroactive to 1 January, while the light "Istmo" type will remain at $35 per barrel. Following the announcement, Mexican petroleum [PEMEX] indicated that the price reduction was issued after analyzing the world crude oil market conditions for the quarterly revision of prices. PEMEX negotiates export prices of crude oil directly with its customers and does not participate in the speculative market in order to maintain an independent commercial position. The new price of "Maya"-type heavy crude will mean a reduction of $2 per barrel compared to the price in effect until 31 December.

BRIEFS

NEW SECRETARY NAMED -- Mexico City, 4 Jan (NOTIMEX) -- Jose Andres Oteyza, secretary of patrimony and industrial development, has sworn in Dr Ernesto Marcos to the post of deputy secretary for government controlled industry, on behalf of President Jose Lopez Portillo. Dr Ernesto Marcos replaces Sergio Garcia Ramirez who left that post to become secretary of labor and social welfare, replacing Javier Garcia Paniagua who resigned for reasons of poor health. [Text] [Mexico City NOTIMEX in Spanish 0312 GMT 5 Jan 82 FL]

FOREIGN BANKING RULES -- Mexico City, 4 Jan (NOTIMEX) -- The Secretariat of Finance and Public Credit (SHCP) today published, in the official government daily, rules for the establishment and operation of foreign bank branches under the General Statute for Credit Institutions and Auxilliary Organizations. The law states that in order to establish branches operating outside territorial limits, foreign banks must be authorized by the SHCP which -- after hearing opinions from the National Banking and Insurance Commission and the Bank of Mexico -- will approve or deny the application. [Excerpt] [Mexico City NOTIMEX in Spanish 0255 GMT 5 Jan 82 FL]

ILLUECA CITES STAND ON POLISH SAILORS' ASYLUM

PA052134 Panama City Televisora Nacional in Spanish 2245 GMT 4 Jan 82

[Text] Panamanian Foreign Minister Jorge Illueca today said that the 22 Poles that have asked for asylum at Panamanian ports in the past few days may remain in our country for as long as they wish. The refugees came from two Polish ships that transited the Panama Canal on 31 December and 2 January.

Unofficial sources said that the United States reportedly has offered political asylum to the 22 Poles, who are now enjoying the protection of the Panamanian Government.

Regarding the refugees' situation and the position of the Panamanian Government, Dr Jorge Illueca made the following statement to Televisora Nacional:

[Begin recording] The Panamanian Government decided to grant them territorial asylum, according to international law. Initially, 15 sailors were granted asylum. Later on, asylum was granted to a few more, to the point that at present, there are 22 Polish sailors at the Tinajitas National Guard garrison, where they have been lodged.

The Panamanian Government's position in these cases, following civilized norms, is to permit these Polish citizens to remain in our country if they so desire, giving them the opportunity to stay here in Panama and live among us. Likewise, as they are not under arrest, they will be given the opportunity, if they so desire, to travel to any other country where they believe they will have better job opportunities or better possibilities for their well-being and progress. We will also give them the opportunity to travel to any other country that is willing to grant them asylum. This is Panama's position.

[Question] Dr Illueca, if these Polish sailors formally request political asylum in Panama, will the Panamanian Government take care of their needs while in Panama, and would they be given jobs as has been done with refugees from Central American countries?

[Answer] In fact, this is the practice that we follow. This is particularly true in cases like this one where there are international agreements on the subject. If it is believed that they have the right to get help from the UN High Commissioner for Refugees, Panama could request this kind of help. The Panamanian Government, following established norms, will proceed in the most proper and just way, in giving them protection and asylum as requested. We will also give the Polish diplomatic representative in Panama the opportunity to confirm that these Polish citizens have decided to remain in this country and to exercise their human rights, which we respect. The steps taken by the Polish Embassy are perfectly legitimate and normal. The Foreign Ministry is sending a note to the Polish Embassy, giving them full information as to the names and the documents we have on hand from the sailors that have asked for asylum. This is normal and correct procedure.

[Interviewer] Dr Illueca, thank you very much for your statements. [end recording]

ILLUECA DISCOUNTS THREAT OF INVASION FORCE

PA020210 Panama City LA PRENSA in Spanish 31 Dec 81 p 1

[By Jose Montano]

[Text] Panamanian Foreign Minister Jorge Illueca said here yesterday that Panama "would count on the cooperation" of the United States in preventing any attempt by Latin Americans living in Miami to overthrow the Panamanian Government.

Although not mentioning the United States specifically, Illueca said, "I would be willing to wager that we could count on the cooperation of the countries in which these activities are being carried out to prevent them. Jo Thomas of the New York TIMES has reported from Miami, Florida, that "groups of exiles are getting ready to infiltrate and overthrow the Nicaraguan Government."

According to the New York TIMES, "The force, which says it is financed by Panamanian and Cuban exile groups and fund-raising efforts by Nicaraguans, has been training for months. It says it is dedicated to the armed overthrow of the Government of Nicaragua, Cuba, and Panama." Illueca said that all he has seen so far is the newspaper article and that, "there is stability and social peace in Panama."

Illueca told reporters, "I have met with the chief of staff and the commander of the National Guard, and we have no indication that public order in Panama is about to be disrupted." He said, "we want to state clearly that the Panamanian Government has no fear that there is any truth to these reports or that they could affect Panama in any way."

The New York TIMES article datelined Miami quotes FBI spokesman Welton Merry saying that he had visited a military training camp near Miami and that "he seemed to have seen some Nicaraguans, as well as Honduran, Cuban, Panamanian, Venezuelan, Colombian, and Dominican refugees." The New York TIMES also quoted Thomas Enders, U.S. assistant secretary of state for inter-American affairs, saying that the training of exiles in Florida or elsewhere in the United States has caused great concern to the Nicaraguan Government.

Enders stressed, "If you attack a country or assist in an attack on a country, or conspire to do this, all these things are illegal. However, it is not illegal to have military exercises, guys running around the fields with guns, or to say 'Uncle Sam, we're ready when you're ready -- wink, wink -- and here we go.'"

FLOREZ: DISCIPLINE, UNDERSTANDING TO PREVAIL

PA012308 Panama City MATUTINO in Spanish 1 Jan 82 p 1

[Speech by Col Florencio Florez, commander in chief of the Panamanian National Guard, during a luncheon meeting with the General Staff of the National Guard on 31 January]

[Text] Messrs members of the general staff, officers, noncommissioned officers and enlisted men of the National Guard:

The incidents of 1981 tested the professionalism, strength and cohesion of the National Guard. The death of Gen Omar Torrijos Herrera was painful for the Panamanian people. The armed institution honored the teachings of its spiritual father and this was decisive in maintaining constitutional order, public peace and stability.

In ending 1981 and beginning 1982, the fraternal feelings, the solidarity and the vocation for service based on merit which prevail among all the National Guard members are very satisfying. The system of promotions and assignments will be based on these principles which promote the physical and moral energy of our military cadres. My behavior as commander is aimed at filling with work and unity the vacuum of the irreparable loss we have suffered. I will promote the interests, feelings and aspirations of the National Guard to excel, which are those of our fellow citizens and the republic in general.

Discipline, understanding and the image of our country will prevail in 1982 as they did in 1981. The goals for 1982 will be fatherland, progress and social peace. Moved by this spirit of concord, as commander of the National Guard, I wish for your happiness and for the well-being of the Panamanian family. We have reasons to live in peace and harmony like brothers because we are children of the same mother which is our country of Panama, to which we must be loyal.

FRAMPO SEEKS ALLIANCE OF PRO-GOVERNMENT PARTIES

PA010251 Panama City Televisora Nacional in Spanish 1130 GMT 31 Dec 81

[Text] Renato Pereira, secretary general of the Popular Broad Front Party [FRAMPO], has said that the one-party government is experiencing a crisis and that if the administration and the ruling party do not establish an alliance with the parties of the process, 1984 will be the year of defeat.

[Begin Pereira recording] First of all, I am going to miss one person very much; General Torrijos, whose death was the most dramatic blow the Panamanian people were ever dealt. The general's funeral was a great demonstration of the enormous void left by his death. This means that the Panamanians, the Panamanian political class, are going to have to use their imagination and initiative to fill that void. When I speak of the political class I am not referring only to the political leaders but to the national government as well.

FRAMPO continues to support President Royo because we feel that he can guarantee the continuity of what we call the process begun by General Torrijos in 1968. At the same time, we believe that the one party government is in a crisis. The legally established opposition to the process already has three or four parties. It is getting organized and is growing. Meanwhile, there are people who think that with one party in the government, monopolizing the administration, that party can obtain a victory in 1984. I think there will be a defeat in 1984, if a multiparty government of alliance among the parties that support the process and inspired by the essential ideals of General Torrijos is not established in 1982.

I confess that I am an orthodox Torrijist. I think that at this time the general would have been working for the unity of all forces that identify themselves with the process that he began in 1968, which has brought great advantages to the country. I think that the most flexible and clear-sighted Liberal Party members, along with FRAMPO and the less hotheaded sectors of the Democratic Revolutionary Party [PRD], can establish an alliance based on the Panamanian nation's need to free itself of law 96-70, which is too heavy a burden to allow a full achievement of national independence. That alliance should also be based on a joint effort to shore up the national economy, whose growth is zero. In addition, we need that alliance to fight effectively against unemployment, which amounts to no less than 150,000 Panamanians who are currently jobless.

Therefore, based on these principles, I reiterate that the president should work for the unity of the most progressive factions within the process, including the less sectarian and more flexible sectors of the Liberal Party, along with the FRAMPO and the PRD, so that we can begin with a political renewal this year based on the establishment of a multiparty government and the liquidation of those individuals who think that a one party system will not lead the country to the disruption of social peace and the frustration of the democratic process begun in 1977. [end recording]

BELIZE

PRICE URGES GREATER INTERNATIONAL COOPERATION

FL011507 Bridgetown CANA in English 1457 GMT 1 Jan 82

[Text] Belmopan, Belize, 1 Jan (CANA) -- Belize's prime minister, George Price, has called for greater international cooperation to help release the strategy for North-South development agreed at the recent Cancun summit in Mexico between some of the world's developed and developing nations.

In a New Year message to Belizeans, Price endorsed the transfer of more resources from the rich to poor countries, the development of alternative sources of energy, greater food production and a new international economic order. The Belizean leader said Belize must work in equal partnership with the international community in the task of development and to cope with current international economic problems. Belize is a relatively new member of the world family, having gained independence just over three months ago.

EL SALVADOR

MANAGUA CITES RUMORS OF GUTIERREZ RESIGNATION

PA060349 Managua Radio Sandino in Spanish 0300 GMT 6 Jan 82

[Text] San Salvador -- strong rumors about the probable resignation of Col Jaime Abdul Gutierrez, member of the military government junta, due to disagreement with the appointment of Gen Jose Guillermo Garcia as supreme chief of the armed forces were circulating today in the Salvadoran capital. Political and military sources said that the appointment of Garcia seriously violates the country's constitution.

COUNCIL CALLS FOR NATIONAL ASSEMBLY ELECTIONS

PA060341 San Salvador EL MUNDO in Spanish 4 Jan 82 p 1

[Text] The Central Electoral Council today announced the call to elect a national constituent assembly on 28 March of this year, according to the provisional electoral law approved on 16 December 1981. According to Article 50 of this law, the council is compelled to call "the electoral body to elect deputies to the constituent assembly according to decrees to be published in in the official newspaper, at the latest on 5 January 1982." Article 51 says that elections should be held on 28 March, that is to say, 83 days after elections have been called and 2 months after the electoral campaign begins.

At the moment of the call, it was learned that only six parties have been legally registered to participate in the elections. They are the Christian Democratic Party, now in power; the National Conciliation Party, Democratic Action, Nationalist Republican Alliance, Peoples Orientation Party and the Renewal Action Party which was reorganized after having been disbanded for several years. The Salvadoran Peoples Party (PPS), which has been acting in the opposition with four other parties had not legalized its situation with the council and, according to council spokesman, it has only to inform the council that it wants to continue as a political party under its statutes and charter of principles which have been legally recognized.

With the call to elections, starting day after tomorrow, the Central Electoral Council will open a candidate registry which will remain open until 30 days before the date set for elections. The candidates must meet the requirements established in the political constitution for deputies, as well as others established in the recently approved provisional electoral law. As has been reported, the constituent assembly, according to Article 9 of the provisional electoral law, will be made up of 60 deputies and an equal number of alternates.

Thirteen will be elected by San Salvador, 6 by Santa Ana, 5 by San Miguel, four each by La Libertad, Usulutan and Sonsonate and 3 by the remaining departments in the country, which are La Paz, La Union, Chalatenango, Cuscatlan, Aguachapan, Morazan, San Vicente and Cabanas. The call was made under a state of siege, although President of the Council Jorge Bustamante has said on several occasions that when elections were called all constitutional guarantees would be restored in the country.

TERRORISTS EXPLODE NINE BOMBS IN CAPITAL 4 JAN

PA052210 San Salvador YSR Television in Spanish 1320 GMT 5 Jan 82

[Text] Nine terrorist bombs exploded last night in various parts of the capital city. The Social Housing Fund building was attacked again last night, but only material damage was reported. The explosion occurred about 1930. Other bombs exploded later in the city. The offices on the lower floor of the Social Housing Fund building were the most damaged. The bomb destroyed the iron roll-down door and office equipment, including telephones.

Other bombs exploded in the Pompeya residential district at the homes of (Capt Roberto Alfonso Mendoza Portillo) and (Lt Cesar Augusto Miraflor) on Francisco Menendez Street. The bomb at Lieutenant (Miraflor's) home damaged an iron gate, windows and an automobile at the garage.

The fourth bomb exploded last night at the home of magistrate (Rafael Sanchez Rodriguez), in Buenos Aires district [word indistinct] Street No 224. The extremists also placed a bomb at the home of the (Judith Aleman) family in Ortensia passage No 6 on 16th North Ave of Guatemala district.

Another bomb exploded at the (Richard) shirt factory, owned by (Maria Judith Aleman), on 7th East St No 622. The home of (Manuel Rene Villacorta) on 2d North Ave, Santa Eugenia district, was also bombed last night.

MANAGUA CITES JUNTA FORCES' LOSSES TO ATTACKS

PA051938 Managua Radio Sandino in Spanish 0300 GMT 5 Jan 82

[Excerpt] San Jose -- FMLN guerrillas today attacked the military garrison in Chalatenango, capital of Chalatenango Department, 60 km north of San Salvador. SALPRESS reported that the clash between the revolutionaries and troops of the military-Christian Democratic junta lasted approximately 1 hour. The Salvadoran regime did not report on casualties although it is believed that the FMLN combat capacity has increased in the last few days and that the FMLN has inflicted hundreds of casualties on the army. The junta today acknowledged the deaths of 2 lieutenant colonels, 6 majors, 9 captains, 24 lieutenants, 3 pilots [as heard], 37 sergeants first class, 69 sergeants second class and 59 corporals.

MONSIGNOR RIVERA Y DAMAS VIEWS 1981 CONFLICTS

PA052303 San Salvador EL MUNDO in Spanish 4 Jan 82 p 3

[Text] San Salvador's apostolic administrator, Monsignor Arturo Rivera y Damas, yesterday asked political parties and government officials to take a realistic view of the national situation, analyze it objectively, trying to set aside all subjectivity and ideological prejudices, and propose feasible political solutions leading to peace. The prelate asked the guerrillas to analyze and weigh their actions and that the two parties in conflict remember that war is the cruelest way to solve problems.

The monsignor said, "We are at the beginning of 1982. We have closed the last page of 1981 which was bloody and painful and are opening the page of a new calendar filled with hopes."

He analyzed the results of last year's violence and said that 11,723 persons had been murdered, that is to say an average of 1,066 monthly. Most of these were peasants 16 to 30 years of age. What is more, they were not all fighters. Those captured or missing number 1,808 persons, an average of 164 monthly. Most of them were workers, students or professionals. He said that, in his offices, the International Red Cross talked with relatives of these missing persons at the rate of 40 cases a day. This figures cover the period July 1980 to July 1981. Members of this same institution visited 775 persons arrested for political reasons. He said that to these must be added persons kidnapped by the guerrillas and released after having paid ransom.

The apostolic administrator said that the total of refugees or displaced persons living abroad number 229,000, of these, 140,000 are in Mexico, 50,000 in Guatemala and Honduras and the rest are living in Nicaragua, Costa Rica, Belize and Panama. Throughout Salvadoran territory there are some 300,000 displaced persons, Monsignor Rivera y Damas said.

Regarding guerrilla activities, he said that they made 281 attacks on power installations, 203 attacks against the private sector, 292 against government property and 175 temporary occupations of towns and cities.

He emphasized that the world has its eyes on El Salvador. He said that to a certain extent the Salvadoran conflict lies within the East-West confrontation and runs the risk of being internationalized and extended with the consequent suffering caused by violence.

He said that much has been said about giving Salvadoran solutions to the Salvadoran problems. He said that so far, there are two solutions; elections and dialogue. He said that within the existing geopolitical situation, both solutions have been given international support.

PRIEST CALLS FOR WORLDWIDE PROTEST MASS

PA051947 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 5 Jan 82

[Text] Priest (Rogelio Poncel) and the Christian communities are sponsoring a mass for the 1,000 peasants of Morazan Department who were murdered by the Salvadoran junta. The mass is to be held on Sunday, 10 January, on a worldwide basis.

Radio Venceremos joins this initiative and calls on all peoples of the world to join this international campaign, rejecting the genocidal policy being pursued by the Reagan administration in El Salvador and the military-Christian Democratic junta's plan to exterminate large segments of El Salvador's population.

VILLALOBOS SEES 'CATEGORICAL ADVANCE' BY FMLN

PA051951 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 5 Jan 82

[Text] Commander Joaquin Villalobos said during an interview with German newsman (Al Nuer) that under no circumstances will be ever be on the defensive again. The interview was published by several Latin American newspapers. Villalobos, who is a member of the FMLN general command, said emphatically that we are not going through a defensive phase; on the contrary, the southeastern front carried out attacks on the enemy's most strategic centers while the army was attacking our positions in Morazan Department.

Villalobos said, when asked for details of the massacre perpetrated by the army in Morazan, that these actions further isolate the junta internationally and prove that our people are right in their struggle. Regarding the elections scheduled by the junta for March, he said that we are not against elections generally but against these specific elections and the goals they represent. There will be no peace as long as the junta contends that the electoral farce, which is a coverup for a military solution, is the only possible solution.

Regarding the standoff between the guerrillas and the army, to which many observers have referred, Villalobos said categorically that it is inaccurate to speak of a standoff. What there is now is a categorical and resolute military advance by the FMLN.

FMLN'S ZAMORA SAYS 1982 LOOKS PROMISING

PA060222 Havana International Service in Spanish 0000 GMT 6 Jan 82

[Text] Ruben Zamora, member of the political-diplomatic commission of the FMLN and Revolutionary Democratic Front of El Salvador said that this year presents a promising future for the Salvadoran people to achieve peace, justice and freedom. He added that U.S. Secretary of State Alexander Haig admitted that the development of the war in El Salvador could be fatal for the army of that Central American country and he stressed that the danger of a military intervention exists through the [word indistinct] of the Governments of the United States and Argentina [as heard].

GUATEMALA

GUERRILLAS BLAST ARMY TRUCK, OCCUPY TOWN

PA051952 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 5 Jan 82

[Text] A Claymore mine exploded under an army truck today near Parramos, Chimaltenango Department, killing 1 soldier and wounding 15 others. Air force and infantry troops are searching the area for the culprits, according to official reports. Guerrillas today also seized the town of Rio Blanco, San Marcos Department, and damaged the municipal building and post office. The terrorists cut telegraph lines and blocked the main street with trees they felled with a chain saw.

ARMY TO USE 15,000 MORE MEN AGAINST SUBVERSIVES

PA052000 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 5 Jan 82

[Text] Brig Gen Manuel Benedicto Lucas Garcia, army chief of staff, has announced that the Guatemalan Army will soon launch an antiguerrilla operation in the country's western region, particularly in El Quiche. The armed forces are being reinforced with approximately 15,000 more men in their fight against the subversives. The purpose of this is to give impetus to the pacification of the country's interior, which is teeming with seditious groups.

General Lucas said that thanks to the military operations the leftist armed insurrection has been dismantled in Chimaltenango, thus regaining peace and security for its inhabitants. Following the buildup of troop strength, the army will also launch a counterinsurgency operation in San Marcos and Huehuetenango to dismantle guerrilla camps and redoubts and to confiscate weapons and other material, in order to eradicate the clandestine groups, Lucas said.

OFFICER DESCRIBES RANGE OF 'REVOLUTIONARY WARFARE'

PA052256 Guatemala City DIARIO DE CENTRO AMERICA in Spanish 29 Dec 81 pp 2, 7

[Interview with Col Jaime Rabanales, chief of the army public relations section; date not given]

[Excerpts] Question: Does subversion have any link with the Soviet Union, colonel?

Answer: Since 1917, Russia's foreign policy has been centered on two basic objectives: domination of the world through revolution and the advent into power of the communist party in all countries.

Since the end of World War II, promotion and support for revolutionary warfare appears to have been important aspects of Soviet foreign policy.

New outbreaks of violence are frequent, many of them somehow related to revolutionary warfare while others imitate its techniques or follow its theories.

Question: Is this type of warfare at the service of Soviet expansionism?

Answer: "Revolutionary warfare" is not the only instrument dedicated to the spread of communist control, but it is the most important instrument. To demonstrate how revolutionary warfare has been used as a political instrument in world strategy, it would first be appropriate to define it and describe its main traits.

Question: What is the role of governments?

Answer: Governments come up against many difficulties which reduce their ability to face a "revolutionary war." When the first signs of an insurrection appear, and furthermore, when the threat begins to increase, nobody wants to admit anything is happening. This leads to a situation in which government decisions are always too few and late, until the moment comes when it is necessary to take more drastic steps.

Then two more errors occur: the government's military forces are given a free hand to go all over the nation committing excesses and creating more insurgents than they can stop or kill, and extremely repressive measures are taken against the entire population, even though these measures cannot be implemented with justice or efficiency.

Question: What is the attitude and thought of those waging that "revolutionary war?"

Answer: From the viewpoint of the insurgents, "revolutionary warfare" is total war. All available weapons may be used against any target. There is no place, as Mao said, for "stupid scruples regarding the benevolence, correction or morals of the war." Nevertheless, these are virtues which a government cannot lay aside hastily. Therefore, a government that finds itself facing total war must act in a limited way.

To the communist rebel, obstacles do not count, not even the liquidation before or after victory of while parts of the population because to him, the end justifies the means. He does not need to take into account the judgement of world opinion because victory will take his country behind the iron curtain. But the government must bear its responsibilities and present its actions in full light to the entire world.

Question: Colonel Rabanales, what is the biggest threat which subversion poses?

Answer: By blocking development and modernization for many years, "revolutionary warfare" will delay progress so much that desperation and dissillusion may give it victory in the end. It is partly for this reason that governments which face a war of this type are inclined to impatience and frustration. They must put off all their plans for the future and lost time becomes its greatest enemy.

Question: What are your thoughts regarding the opinion of the peoples?

Answer: What most of the people do not understand is that what is at stake in a "revolutionary war" is not the dividing of a territory, the participation in the government, nor a better distribution of the wealth and the land, all of which could be negotiated. The real objective consists of a struggle for power, to know who will control the future fate of the country in question. Therefore, the only alternative is to vanquish or be vanquished.

NICARAGUA

THREE U.S. CONGRESSMEN ARRIVE FOR 2-DAY VISIT

PA060416 Managua Radio Sandino in Spanish 0300 GMT 6 Jan 82

[Text] Three U.S. congressmen arrived in Managua this afternoon. For 2 days they will talk with officials of the government, private business sector and political sectors.

Senator Christopher Dodd, Democrat for Connecticut, and Representatives Michael Barnes and George Miller were welcomed at Sandino airport by three members of the State Council who make up the foreign relations committee -- Carlos Garcia, Dennis Corrales and Vanessa Castro -- in addition to several officials of the Foreign Ministry.

Aboard an executive government jet and accompanied by several officials, the congressmen were also welcomed by members of the U.S. Embassy in Managua.

Senator Dodd was in Managua several months ago and upon arrival today said he would meet with members of the Junta of the Government of National Reconstruction, with the Foreign Ministry, and with representatives of the private sector.

He is accompanied by Michael Barnes, representative from Massachusetts and chairman of the Foreign Relations Committee of the House of Representatives; and George Miller, representative for the State of California, both Democrats. According to reports, the U.S. delegation will remain in Nicaragua 2 days.

D'ESCOTO SAYS ARMY DID NOT ENTER HONDURAS

PA052015 Panama City ACAN in Spanish 1538 GMT 5 Jan 82

[Text] Managua, 5 Jan (ACAN-EFE) -- Nicaraguan Foreign Minister Priest Miguel d'Escoto said today that the charge that the Sandinist army entered Honduran territory on 26 December to attack a refugee camp is both "false and absurd." The foreign minister was commenting on international news agencies' reports from Tegucigalpa, according to which Honduran Government sources charged that Nicaraguan troops killed some 200 Nicaraguan refugees, members of the Miskito tribe, during a military raid.

"Nicaragua is not surprised by such fabrications, since each time protest notes are sent to the Honduran Government presenting conclusive evidence of the connection between counter-revolutionaries and Honduran Army officers, they always make up something to divert international attention," D'Escoto told BARRICADA, the Sandinist front's official paper.

D'Escoto recalled that the Tegucigalpa government has not yet answered two notes that Nicaragua sent to the Honduran Foreign Ministry late last year. In one of them, Nicaragua lodged a protest against the raids carried out by counterrevolutionary bands based on Honduran territory. According to D'Escoto, in due time the Nicaraguan Armed Forces will report on the real developments that took place at the Nicaraguan-Honduran border.

Officials Deny Killings

PA051319 Paris AFP in Spanish 0017 GMT 5 Jan 82

[Text] Managua, 4 Jan (AFP) -- Nicaraguan Foreign Ministry spokesman Eligio Alvarez described reports that alleged Sandinist troops exterminated 200 Nicaraguan refugees after entering three Honduran towns as "truculent and grotesque." He added that he has not received any official note from the Honduran Government in connection with the alleged violation of its territory by the Sandinist army.

"I must repeat Foreign Minister Miguel d'Escoto's statements that these reports are absurd and ridiculous," Alvarez commented in connection with the Washington POST's publication today of a phone interview with the Nicaraguan foreign minister. He added right away that "so far, the Honduran Government has not lodged any official protest with the Nicaraguan Foreign Ministry in connection with these alleged incidents."

Meanwhile, Capt Roberto Sanchez, public relations director at the Defense Ministry, has said that his office has not handled any information in connection with the alleged violation of Honduran territory by the Nicaraguan Army. "We have no official information on either this alleged territorial violation or on the alleged 200 dead," Sanchez commented.

Another government source, which asked not to be identified, noted that if these incidents had indeed occurred on 26 December, "it is past time that Honduras would have made a fuss. Let them show us the dead and the attacked camps," the source said in conclusion.

Newscasts Suspended

PA060035 Managua Radio Corporacion in Spanish 2300 GMT 5 Jan 82

[Text] The media directorate has suspended indefinitely two newscasts. The newscasts, "The Opinion" and "The Moment," broadcast by Radio Mundial and Radio Mil, respectively, were suspended beginning today by order of the Communications Media Directorate because they aired reports dealing with alleged incursions into Honduran territory by the Sandinist army.

The reports broadcast by these newscasts violated Article 3, Point K of the general communications media law, and Article 46 of the regulations of the general law on the communication media and are thus subject to the sanctions imposed by the law in this regard.

The directors and representatives of these newscasts were notified this afternoon. The newscasts cannot go on the air until the Communications Media Directorate orders their return. The Communications Media Directorate indicated that (?reports) of this kind are a major cause of foreign attacks against our country and government.

ENVOY DENIES SEIZURE OF SALVADORAN SHIP, CREW

PA052119 Panama City ACAN in Spanish 1756 GMT 5 Jan 82

[Text] San Salvador, 5 Jan (ACAN-EFE) -- Rafael Somarriba Guevara, Nicaraguan charge d'affairs in El Salvador, today told ACAN-EFE that reports about the seizure of a ship and 11 Salvadoran seamen in his country are false. The diplomat asserted that he has received official information from the Nicaraguan Government and that "it is absolutely false that Salvadoran seamen and the Gloria Lilian fishing boat are being held in the port of Corinto, Nicaragua."

Salvadoran media yesterday learned about the capture of the fishing boat and the 11 crewmen in Nicaragua. The seamen, who are all from the port of La Union, had been missing since 24 December. According to the newspapers, the seamen who are being held in Nicaragua are Gregorio Garcia Torres, Master, Freddy Fernando Osorio, Winchero Oscar Campo Mejia, Manual de Jesus Moreno Mejia, Jose Santos Majano Hernandez, Ramon Carcamo Segovia, Meguel Angel Hernandez Aguilar, Narciso Hernandez Oliva, Oscar Ventura Vasquez, Jose Adonay Medina and Jose Santos Madrid Torres.

The Nicaraguan diplomat told ACAN-EFE that executives of the Salvadoran fishing firm [not further identified] asked him in late December to intercede with his country's government in order to obtain the release of the detained Salvadorans.

He said that he told them that he would ask for information since he could not ask for a release of prisoners without confirmation of their arrest. Somarriba said that the Nicaraguan Government confirmed on 2 January that the reports about the detention of the ship and the arrest of her crew are false.

FOREIGN MINISTER COMMENTS ON RELATIONS WITH U.S.

PM041551 Rome LA REPUBBLICA in Italian 30 Dec 81 p 13

[Marco Cantarelli dispatch: "United States and Nicaragua Renew Ambassadors; Symptom of Detente?"]

[Excerpt] Managua, 29 Dec -- It has been clear for some time that the question of the Somozist training camps is one of the bones of contention between Nicaragua and the United States, whose resolution could lead to a phase of more open "dialogue" between the countries. In the contacts following Under Secretary of State Thomas Enders' [as published] visit to Managua, the United States expressed the intention in August -- as a sign of thaw vis-a-vis the Sandinistas -- of officially confirming U.S. neutrality in a declaration of principles. More particularly, Nicaraguan Foreign Minister Miguel d'Escoto said, "The United States wanted to investigate whether a State Department communique explaining which U.S. laws are violated when persons in U.S. territory train and prepare to carry out an invasion of a country with which the United States maintains relations would have satisfied the Sandinista government. We replied that we would not have been satisfied until it had enforced observance of these laws."

Nevertheless, the contacts did not stop at that stage. In mid-September, D'Escoto continued, a further step was taken in talks between the countries. The proposals formulated by the United States are considered "very interesting." In practice, they concerned the abandonment of recourse to the use of force and threats and the assertion of the desire to resolve disputes peacefully. However, these steps are regarded by Managua as preliminaries to a fuller normalization. A confirmation of this stance came from the recent meeting between Haig and D'Escoto at the OAS summit in Saint Lucia -- the first meeting at such a high level. D'Escoto himself described it as "profitable." The Nicaraguan minister repeated that "any joint statement would have to reflect the real situation, and to reflect a better situation we would first have to improve it."

The fact remains, however, that the deadline for the Nicaraguan reply to the United States ran out at the end of October, following which the war of words and threats has escalated. In its campaign, the United States has stressed two points of greatest friction; the material support for the Salvadoran guerrilla forces, and the size of the Nicaraguan Armed Forces. With regard to the former, D'Escoto said: "We cannot cease an activity that we are not carrying out"; while with regard to the latter, Managua claims the right to decide the size of its own army and at the same time denies that it can threaten other countries.

Nicaragua's internal affairs such as the arrest of higher council of private enterprise leaders, but also the suspension of U.S. loans to the Central American country have helped to muddy the waters. "Nicaragua has rejected our proposals," Haig has said, adding, however, that "the door is still open." He was answered on the Sandinistas' behalf by Daniel Ortega as follows: "The door is very small; we would have to go through it on our knees."

So how do matters stand now? D'Escoto gave us the latest Nicaraguan viewpoint: "We want the best possible relations with the United States." But referring to the training camps issue and to the declared U.S. intention "not to discard all possible solutions," he added: "The United States must, however, make a gesture rejecting threats and violence," When will the next step be taken between the countries, and what form will it take?

Therefore, it is inconceivable that a member of the army should become a member of any particular party. This includes parties that are in the government, because if that were to occur -- as it is occurring here, incorrectly, in this country -- then the government party, or the party that the soldiers on active duty belong to, and are active militants of, would become an armed party. Naturally, this would convert them into judge and defendant in the case we are discussing, which is that in a democracy the army is, we could say, the judge among the political parties that are aspiring to take over the reins of a country.

In all parts of the world the members of the military have the right to vote, as I have said. They can also be candidates of some political parties for various national posts, as long as they resign from active duty at least 6 months in advance, in accordance with the constitution of those countries. Of course, we do not have a constitution right now. We have the law on statutes and guarantees and the government program which has already been [words indistinct] by the current government and by the junta.

Therefore, one has to sit down and consider two things. If they are going to allow some military on active duty to become members of the FSLN as a party, then the others should be allowed to join the other parties if they so desire. Therefore, we would have political pluralism within the army, which in a way might become a factor of balance, as I was saying earlier. However, from another viewpoint it might be dangerous. If soldiers of different parties were to become disillusioned, there might be [words indistinct] sort of division or even a civil war if the elections results were not satisfactory.

Therefore, I believe that it would be dangerous even with the second possibility that the military will be allowed to join any political party. This would be the broadest end of the spectrum, considering the unilateral manner in which the FSLN party has been doing things. The ideal solution would be not to allow the military to participate in any political party at all. They should only be given the right to vote, or to be candidates providing they resign from their military positions at least 6 months before the electoral campaign.

One problem that perhaps has not been foreseen by the organizers of the FSLN party is that they are creating a real division within the army. They are admitting 1,000 members of the EPS into the FSLN party, while nothing is being done about the other thousands of EPS members. Undoubtedly they are telling them: You do not belong to the FSLN party. Therefore, they should realize that they are only picking up a minority within the army.

How many people are currently in the army? No one knows, and this is natural, because not saying how many members an army has might even be a matter of national security. But in any event this number is 10, 20 or 30 times greater than the number of military that have just become members of the FSLN party.

I would like to tell the members of the military who have not been admitted to the FSLN party that they therefore have the right to join any of the other parties, and that the doors of the Democratic Conservative Party are open for any of them who may like our party to come and join and sign their PCD membership cards.

FIDEL CASTRO, MINISTERS TOUR ISLE OF YOUTH

FL051317 Havana Domestic Service in Spanish 1032 GMT 5 Jan 82

[Text] Commander in Chief Fidel Castro toured the Isle of Youth on Sunday, visiting several installations in the special municipality and speaking with local workers. Fidel was received in Nueva Gerona by Armando Manresa, first party secretary in the Isle of Youth, and by Jorege Antelo, president of the people's government municipal assembly. The first secretary of the Communist Party of Cuba [PCC] was accompanied by Politburo Member Osmani Cienfuegos and Council of Ministers Vice Presidents Joel Domenech and Jose Lopez Moreno, other ministers and members of the PCC Central Committee.

Fidel and his party visited the Delita mine, dairy farm No. 5 in La Victoria, where the famous cow Ubre Blanca is kept, and the Isle of Youth electric power plant. At the Delita mine, Fidel spoke with workers and asked about the work done there. Fidel was briefed extensively on the characteristics, size and degree of concentration of the mine's deposits as well as on prospecting and expansion projects. The mine's administrator told Fidel that 140 workers are employed there, most of them from Matahambre, although efforts are underway to stabilize the work force with personnel from the Isle of Youth. In his talk with the mineworkers, Fidel noted the importance of production costs, fuel use and economizing.

In the course of his visit to La Victoria, Fidel received an extensive report on the genetic development and potential of a daughter of the famous cow Ubre Blanca. Fidel was told at the dairy farm that the (?heifer calf) of the champion cow is lean and looks like her mother.

The head of the revolution's last stop was the Nueva Gerona electric plant, where he was received by the director and representatives of the plant's political and mass organizations. Fidel was able to observe the technical state of the equipment and its use and the need to find a prompt solution to the serious crisis threatening the electric system and hence electric power production and services.

The commander in chief noted that agricultural production is growing in the Isle of Youth and is now able to meet the needs of the population for certain items, including milk, tubers and vegetables. Pork and poultry production are up and vegetable and fruit preserves production is under development. Fidel made special mention of the deep changes in all areas that the revolution has brought to the Isle of Youth. An extraoridnary infrastructure has been built in the special municipality that includes highways, social facilities, schools and large agricultural and industrial installations, Fidel said adding that educational achievements are superior to the rest of the country.

CUBAN-SOVIET TALKS ON AUTOMATION, COMPUTERS OPEN

FL060156 Havana Domestic Television Service in Spanish 0100 GMT 6 Jan 82

[Text] Talks between Cuban and Soviet representatives on scientific and technical development in automation and computers began today in our capital. The Soviet delegation is headed by Yakov Petrovich Ryabov, member of the CPSU Central Committee and first deputy chairman of the Soviet Union's Gosplan, and Cuba is represented by Rodrigo Fernandez Monert, president of the National Institute of Automated Systems and Computer Technology.

MEXICO CALLS FOR PEACE, DISARMAMENT EFFORTS

FL041516 Havana Domestic Television Service in Spanish 1208 GMT 4 Jan 82

[Text] The members of the Chamber of Deputies of the Mexican Congress have made a call to all the people of good will in the world to redouble their efforts in the struggle for world peace.

The parliamentarians resolutely condemned the arms race and expressed the need to intensify actions toward general disarmament this year. The call by the members of the chamber is issued at a time when the White House is fanning the flames of war and unleashing a campaign of provocations against the Soviet Union and Poland.

EL SALVADOR'S MAJANO BLASTS RIGHTS VIOLATIONS

FL041617 Havana Domestic Television Service in Spanish 1408 GMT 4 Jan 82

[Text] Col Adolfo Majano, former member of the Salvadoran junta, has said in Mexico that El Salvador is in the hands of a clique without authority that conceals grave violations of human rights. Majano, who is in exile in Mexico, added that it is unwise to hold elections in his country at this time.

Observers note that the junta recently announced with a lot of ballyhoo that it would hold elections in March of this year. The election was announced in an attempt to clean up the public image of the junta, which constantly violates human rights and applies a fierce repression.

FOREIGN MESSAGES, EVENTS MARK CUBAN NATIONAL DAY

Envoy in Ethiopia

FL041557 Havana Domestic Service in Spanish 1502 GMT 4 Jan 82

[Text] The Cuban ambassador in Addis Ababa, Buenaventura Reyes, has accused the United States of threatening our country and Ethiopia with insane actions concocted by the present U.S. administration. The Cuban diplomat held a press conference today in commemoration of the 23d anniversary of the triumph of our revolution and said that Cuba and Ethiopia and other progressive countries are facing the risk of war as a result of the insane actions of the new U.S. administration, which never ceases its threats and campaigns of all kinds.

Reyes highlighted the achievements of our revolution, especially in the industrial, agricultural, social, educational and public health areas. The ambassador also highlighted the aid and cooperation received by our country from the Soviet Union and other socialist states.

Ethiopian Press

FL052036 Havana Domestic Television Service in Spanish 1800 GMT 5 Jan 82

[Text] Ethiopia's newspapers have continued to highlight the 23d anniversary of the Cuban revolution's victory. The newspapers today carried on their front pages portions of the press conference held by Cuban Ambassador Buenaventure Reyes on the occasion of the anniversary.

USSR, East Europe Greetings

FL011607 Havana Domestic Service in Spanish 1500 GMT 1 Jan 82

[Text] The highest leaders of the Soviet Union, the GDR, Bulgaria, Poland and Czechoslovakia have reiterated their solidarity and support for our people in their struggle for building socialism. The statements were made in messages sent to Commander in Chief Fidel Castro, first secretary of Cuba's Communist Party and president of the Councils of State and Ministers, on the occasion of the 23d anniversary of the revolutionary triumph.

Leonid Brezhnev, general secretary of the CPSU and chairman of the Presidium of the USSR Supreme Soviet, and Prime Minister Nikolay Tikhonov note in a message that the anti-Cuban campaign unleashed by the United States arouses indignation among all progressive and peace-loving forces. The message stresses the great prestige of Cuba's foreign policy of peace and world respect for our people, whom they call hardworking, patriotic and internationalist.

The message by Erich Honecker, secretary general of Germany's Socialist Unity Party and chairman of the GDR State Council, and Prime Minister Willi Stoph stresses that the revolutionary victory in our country marked the beginning of a new phase of the anti-imperialist movement in Latin America.

The message signed by Todor Zhivkov, secretary general of Bulgaria's Communist Party and president of the State Council, and Prime Minister Grisha Filipov notes that Cuba will always have many friends and great international prestige.

Wojciech Jaruzelski, the top Polish leader, and Henryk Jablonski, chairman of Poland's Council of State, have acknowledged Cuba's solidarity with the efforts to stabilize socialist Poland.

The top leader of Czechoslovakia, Gustav Husak, and Premier Lubomir Strougal noted Cuba's contributions to bolstering the Nonaligned Movement.

Zhivkov Greetings

FL051747 Havana Domestic Service in Spanish 1500 GMT 5 Jan 82

[Text] Sofia -- Todor Zhivkov, secretary general of the Bulgarian Communist Party [BCP] Central Committee and chairman of the Council of State of the Bulgarian People's Republic, and Grisha Filipov, chairman of Bulgaria's Council of Ministers, have sent a message of greetings to Fidel Castro on the occasion of Cuban national liberation day. The text of the message reads:

On behalf of the BCP Central Committee, the Council of State, the Council of Ministers, all the people of Bulgaria and from us personally, we send you, Cuba's Communist Party Central Committee, Council of State, Council of Ministers of the People's Republic of Cuba and the Cuban people the most cordial greetings on the occasion of the 23d anniversary of the victory of the Cuban revolution. Our country's communists and workers salute with all our hearts the achievements of the Cuban communists and workers in strengthening the economy, developing culture and improving the welfare of the people. We are pleased to point to the fruitful development of Cuban-Bulgarian relations based on the principles of Marxism-Leninism and proletarian internationalism.

The BCP and the Government of the Bulgarian People's Republic reaffirm their full and resolution to continue the untiring efforts to develop and strengthen the fraternal friendship and the multifaceted cooperation between our two parties, countries and peoples.

Kraigher Greetings

FL311859 Havana Domestic Television Service in Spanish 1800 GMT 31 Dec 81

[Text] Yugoslav President Sergej Kraigher has sent a message of greetings to chief of state and government Fidel Castro on the occasion of Cuban national day.

CASTRO CONGRATULATED BY KAMPUCHEA'S SAMRIN

FL052025 Havana Domestic Television Service in Spanish 1800 GMT 5 Jan 82

[Text] The president of the People's Republic of Kampuchea, Heng Samrin, has sent warm congratulations to the top Cuban leader, Fidel Castro, on the occasion of his reelection as president of the Councils of State and Ministers, the Kampuchean news agency SPK announced today. The message expresses the conviction that the fraternal friendship and militant solidarity between the People's Republic of Kampuchea and Cuba, forged in the struggle against common enemies, will be strengthened more and more. Heng Samrin is secretary general of Kampuchea's People's Revolutionary Party and chairman of the Councils of State and Ministers.

PEACE GROUP SENDS WISHES TO KAMPUCHEANS, AFRICANS

FL051815 Havana Domestic Service in Spanish 1700 GMT 5 Jan 82

[Text] The Cuban Movement for People's Sovereignty and Peace [MPSP] has issued a message expressing joy at the 3d anniversary of the defeat of the bloodthirsty and genocidal regime of Pol Pot, Ieng Sary and Khieu Samphan. The message also wishes new successes to the brotherly Kampuchean people. The message, signed by Severo Aguirre del Cristo, member of the party's Central Committee and president of the MPSP, reiterates the MPSP's militant solidarity in face of the provocations of the Maoist clique, the imperialists and other reactionary forces.

The MPSP also sent a message to the African National Congress [ANC] on the commemoration on 8 January of the 70th anniversary of the ANC. The document conveys the MPSP's congratulations and solidarity with the vanguard stance of the African people in the struggle against the apartheid regime. The message adds that in the course of all these years the ANC has become richer, with a popular foundation, program and structure and with capable and selfless leaders, some of whom have given their lives to the cause of South African liberation. The message concludes by denouncing the outrages committed against African citizens under apartheid.

CUBA, SWITZERLAND SIGN TRADE AGREEMENT EXTENSION

FL011428 Havana Domestic Service in Spanish 1355 GMT 1 Jan 82

[Text] Isidoro Malmierca, member of Cuba's Communist Party Central Committee and foreign minister, and Armin Kamer, ambassador of the Swiss Confederation to Cuba, have signed a protocol extending the trade agreement between the two nations. The agreement, signed in the reception hall of the Foreign Ministry, governs all trade activities between the two countries during 1982. This protocol, signed by the Governments of Cuba and Switzerland on 30 March 1954, governs trade relations between the two sides based on mutually satisfactory conditions. The document signed by the Cuban foreign minister provides for the sale of Cuban sugar and tobacco to Switzerland and our country's import of precision instruments from that country, among other things.

BRIEFS

NEW FREIGHTER -- The new ship "Cienfuegos," which was built in Romania's Braila shipyards, has docked at Santiago de Cuba's piers, where it will begin plying routes in the Caribbean. A sister ship of the "pinar del Rio," which was recently acquired by our country, it has a length of 88.7 meters, a width of 1.28 meters and a 969-metric-ton capacity. [Text] [Havana Domestic Television Service in Spanish 1306 GMT 4 Jan 82 FL]

SPARE PARTS EXHIBIT -- Joel Domenech, member of the Central Committee and vice president of the Council of Ministers, yesterday inaugurated the first national spare parts exhibit at the Cuba pavilion. The inauguration was presided over by Guillermo Garcia, Pedro Miret and Julio Camacho Aguilera, all members of the party's Politburo. Domenech noted that this exhibit will have important practical applications in the effort to bring the replacement of imported spare parts to levels never attained before, both through reconditioning and by increasing the quantity, quality and variety of national production. The exhibit consists of 1,665 imported parts, 306 reconditioned parts and 1,362 representative, nationally-produced parts. [Text] [Havana Domestic Service in Spanish 1145 GMT 5 Jan 82 FL]

CHILE

'REMARKABLE' MILITARY BUILDUP IN 1981 REPORTED

PY052355 Paris AFP in Spanish 1452 GMT 4 Jan 82

[Text] Santiago, Chile, 4 Jan (AFP) -- In a report on the achievements made last year by the Chilean armed forces, Santiago's government-owned newspaper LA NACION today pointed out the remarkable increase in the acquisition of arms and in domestic production of materiel. The report refers to the assembly of single-seater and two-seater Casa and Dakota aircraft built with Spanish and U.S. technology and parts, and the manufacture of the Chilean-designed Pillan aircraft which, like the former two, is used for antiguerrilla observation, training and fighting.

In the field of aeronautics, the newspaper also mentions the manufacture of a lightweight, low-priced, helicopter which is economical on fuel and the recent incorporation of 20 Mirage F-5 planes the air force acquired from France. The army has also made a large acquisition of French tanks and armored vehicles, but there are diplomatic problems with the delivery of the last shipment, LA NACION says.

Regarding the navy, the report mentions the purchase of a submarine, which will arrive next March, and plans to acquire another submarine and two or three ships, the latter from Great Britain. The navy has also purchased patrol boats from Brazil, entered into an agreement with Paraguay to render it advice on the assembly of river vessels and, following an agreement with France, has started building landing craft in the Talcahuano shipyards in the southern part of the nation.

LA NACION also stresses the importance of this new stage, which is marked by the acquisition of arms after the recent lifting of the U.S. embargo imposed by the Carter administration. The report also refers to the resumption of antisubmarine and amphibious operations between the Chilean and U.S. fleets and to the numerous visits by senior U.S. officers in 1981.

BRIEFS

INFLATION, UNEMPLOYMENT DROP -- Sergio Chaparro, director of the National Statistics Institute, disclosed that inflation during 1981 dropped by 9.5 percent. He also said unemployment during September-November dropped by 13,400 persons in comparison to the same period of 1980. [Santiago Chile Domestic Service in Spanish 1630 GMT 4 Jan 82 PY]

ECUADOR

BRIEFS

FOREIGN DEBT BALANCE -- The balance of the combined public and private sectors' foreign debt totaled $5.6 billion in December. This figure included new contracts signed and payment obligations assumed by both sectors during 1981, which amounted to $2.16 billion. On the basis of official Finance Ministry data, the estimated public foreign debt balance, which included nondisbursed amounts of contracted credits, totaled $4.6 billion at the end of 1981. This figure is 29.7 percent higher than that of the previous year. [Quito Voz de los Andes in Spanish 1230 GMT 3 Jan 82 PA]

GUYANA

BRIEFS

GOVERNMENT BUILDING FIRE -- Georgetown, 3 Jan (CANA) -- A fire today swept through a government building on the east coast of Demerara where spare parts for vehicles used in the sugar industry are stored, causing losses of about 4 million dollars (one Guy dollar: 33 cents U.S.). Chairman of the state-run Guyana Sugar Corporation Harold Davis said it was unclear what started the fire. [Bridgetown CANA in English 2116 GMT 4 Jan 82 FL]